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# PARTICIPATORY ALTERNATIVE DEVELOPMENT PROGRAM

QUARTERLY REPORT (JULY 1-SEPTEMBER 30, 2004)

**Contract 527-C-00-04-00043-00**

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## Executive Summary

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Chemonics International Inc. is pleased to submit the following Quarterly Report for the period July 1, 2004 through September 30, 2004 in accordance with Section F.2 of Contract No. 527-C-00-04-00043-00: Peru Participatory Alternative Development (PDAP) program. This contract whose objective is to promote the sustained reduction of illicit coca production in Peru, follows a previous contract (No. 527-C-00-03-00001) which was also awarded to Chemonics for the implementation of pilot alternative development activities in Peru. This previous contract remained active through August 30, 2004, and numerous activities from that initial contract were transferred and are now being implemented under the new contract.

This report summarizes the results of activities undertaken in the four principal CLINs of the contract. In Chapter I, we discuss the key results, lessons learned and recommendations for activities conducted in relation to CLIN 2: Auto or Voluntary Eradication. In Chapter II, we provide the same information for activities conducted in relation to CLIN 3: Willingness to Reject Coca Increased, in Chapter III, those for CLIN 4: Situational Response and in Chapter IV, those for CLIN 5: Performance Monitoring. Annexes to this report provide an overview of the context and challenges facing the program (Annex A) and the status of start up activities included in CLIN 1 (Annex B). This will be the last report on CLIN 1 since the contract is now in its six month of operation and all start up activities have essentially been completed. Annex C provides financial and administrative data for the reporting period and cumulative since contract signature.

Overall, this reporting quarter can be viewed as one of significant progress and change. Key highlights include the following:

### **Voluntary Eradication (CLIN 2):**

- A total of 403 hectares of coca were voluntarily eradicated this quarter, for a cumulative total through September 30, 2004 of 1,734 hectares or 64% of the annual target of 2,700 hectares. It is anticipated that PDAP, utilizing several different intervention methodologies, will be able to meet if not slightly exceed the 2,700 hectare annual target by the end of the 2004 calendar year.
- A revised intervention strategy for promoting voluntary eradication, based on USAID, DEVIDA and PDAP's experience to date, lessons learned, and budgetary considerations, is being tested in the Leche area of San Martin. This revised strategy consists of the following elements:
  - CADA measuring all of the coca in the target area (coca barrer), not just in those communities requesting participation in the program. This process, at least in the Leche area, is taking much longer than initially contemplated, primarily due to the terrain. Options, including the review of satellite images to focus the CADA measurement teams, among other approaches, are currently being considered as a means to expedite this initial process. This effort is being promoted to avoid the "swiss cheese" result of the earlier intervention strategy, while also ensuring that all of the coca in the target area is measured, not just that declared by the participating communities.
  - Promoting multi-communal infrastructure and productive projects, in an effort to break away from the costlier, community by community programs previously utilized. While clearly that community focus has been effective in improving the quality of life in the recipient community, it is not sustainable due to the high cost. By using a multi-communal approach, PDAP can provide economic and social infrastructure that meets the larger needs of the area, not just in the recipient community, thereby working towards the long term economic development of the region.
  - Doing initial meetings with municipal authorities to ensure their support for the PDAP program while also trying to link PDAP activities with their own respective economic or

regional development plans. This can also lead to leveraging of other resources, including within the municipality itself, to maximize the impact and result of the PDAP-supported interventions.

- A revised convenio marco document, highlighting the changes in benefit offer, was submitted and approved by USAID and DEVIDA at the end of the quarter. Training program to introduce the revised strategy to PDAP staff, particularly the facilitators and regional office staff, is underway, with direct support from Acciones Sin Fronteras (ASF), a key local subcontractor in socialization.

<i>Activity</i>	<i>Results Achieved</i>
Hectares of coca eradicated	403 hectares
Presentation of diagnostic studies to mayors and local authorities	11 meetings
Visits to new communities to request approval for CADA measurement	46 communities
Letters signed requesting CADA measurement	29 letters
Communities being measured to identify coca to be “cleaned up”	20 communities
Hectares of coca measured to date in the Leche area	84 hectares
Communities free of coca and visited to confirm zero coca <sup>1</sup>	200 communities
Additional, undeclared coca to be eradicated in target communities	531.85 hectares
Preliminary identification of new communities for 2005	353 communities

- Although work is underway to test the revised intervention strategy, the main focus during the quarter continued to be the delivery of the agreed-to projects contained in the signed Convenio Marcos. It is critical to program credibility that the agreed to projects, unless revised in conformance with community agreement or due to other factors—primarily environmental considerations or changing priorities in the community—be delivered as quickly as possible. In this regard:
  - **Infrastructure.** PDAP initiated 74 infrastructure projects in compliance with the terms of the Convenio Marcos. In addition, 14 projects were completed and delivered to the communities for their use. Out of a total of 517 projects, 80 are underway, 175 have been completed, and 25 are in the process of being reformulated in order to reduce costs. Refined contracting mechanisms were developed to streamline the process, speed up implementation, and ensure rigorous supervision of the infrastructure projects. PDAP also completed a comprehensive overhaul of all data related to the infrastructure activities in design and execution in order to integrate this information into the Monitoring and Evaluation CORVU platform.
  - **Economic Service Centers (Productive Projects).** A major change occurred in the organization of the productive activities this quarter, resulting in the establishment of a PDAP Economic Service Center (SCE) in Lima, with four sub-CSEs in Aguaytía, Tingo María, Tocache and the VRAE. Clear organizational responsibility and lines of authorities were defined with PRA and within PDAP. A key difference in the new strategy is the contracting of private sector buyers to deliver the required technical assistance and supervise the delivery of inputs for the key crops being supported in the regions, specifically cacao, coffee, cotton, grasses and corn. The scopes of work and competitive bidding process began during the quarter and will be completed by the end of October 2004. The implementation of 48 productive projects out of 52 continued with the participation of 35 implementers, covering a total of 20,000 hectares of crops and directly benefiting more than 18,000 families. The remaining 4 projects have been

<sup>1</sup> Of the 372 communities with signed Convenios Marcos, 285 are “free” of coca and will be the focus of the “repaso” process

completed. Marketing efforts to promote PDAP-supported projects in the principal supermarkets in Lima is underway.

- **Natural Resources.** A key development this quarter was USAID's approval of the AD Programmatic Environmental Assessment (PEA). The PEA provides a clear framework to mitigate any negative environmental impacts of PDAP's proposed activities. Within the last two months, PDAP has evaluated 54 road projects and identified 24 communities that could use their forest resources as a successful mitigation strategy for the signed road projects. In addition, and with the use of satellite imaging, 13 large forest reserves, comprising over 51,500 hectares, have been identified for sustainable forest management activities. Also during this period, the Ecomusa Sinchi Roca community inaugurated its rubber warehouse built by the community with its own resources as its contribution to a PDAP supported; rubber productive project. Private sector investment in portable saw mills in selected communities also occurred this quarter.
- **Land Titling.** The following table summarizes the key steps of the land titling program, progress achieved during the quarter, cumulative progress to date and the percent of that progress against established goals.

<i>Program Step</i>	<i>Progress this quarter (Has)</i>	<i>Cumulative Progress (Has)</i>	<i>% Achieved relative to Goal</i>
<b>Measurement with sub-metric GPS</b>	1912	3774	88%
<b>Preliminary legal requirements</b>	1271	3133	73%
<b>Soil use reports</b>	1271	3133	73%
<b>Titles with final report under PETT Supervision</b>	540	935	22%

- The PDAP M&E system is now fully operational, with databases containing information on infrastructure, productive projects, and socialization fully integrated into the central data base and processes in place to ensure their automatic and continuous updating and inputting. This has helped facilitate the development of a common "ficha" or report on each community participating in the PDAP program, to accurately define the current status of all activities underway in the community. This in turn can be used by all implementers and community leaders to monitor the progress of the activities and to respond, from a single source of information, to all issues, complaints, observations while capturing the impact and ongoing compliance of the PDAP goals and objectives.
- **Subcontracts:** PDAP developed and signed 59 subcontracts, 60 work orders, and 36 grants agreements, and actively participated in the selection panel for the private sector companies offering technical assistance in support of the CSE's business initiatives. PDAP also developed an interactive tool that can easily make scenarios and forecasts for current and future years of the project. Innovations and cost control mechanisms in the areas of communications and inventories were also achieved in this quarter.
- **Personnel:** Several new staff members joined the program this quarter. In July, an Operations Manager for the Land Titling Project was hired to work in Lima and Pucallpa. In September, the new Contracts and Grants Manager arrived to replace Michelle Rodriguez who left the

program to attend graduate school. In the regional offices, a new chief for the VRAE office started work in July. Several resignations also occurred this quarter, most notably that of CSE Director Durval Zambrano in August and COP Ligia Carvajal and M&E System Director Alfred Frittrang in September. Replacements have or are in the process of being identified. To the greatest extent possible, every effort to ensure a smooth transition and maintain program direction has been done.

- **Security:** One of PDAP's facilitators based in the Tocache Regional Office, Enrique Mendez, was kidnapped for three days by members of several communities in Chazuta. The communities were demanding public attention to several pending issues, including the delayed construction of the Chazuta-Achinamiza Highway which is being reviewed by PDAP for implementation. A negotiation team, incorporating members of the direction of PDAP, were able to negotiate the immediate release of the facilitator prior to initiating further discussions. Once freed, the team then developed a plan to respond to the demands of the communities, including setting a time frame for the decisions related to the PDAP-supported highway.

### **Context and Challenges: Some final thoughts**

The PDAP program remains highly political and is constantly being challenged by groups opposed to any efforts designed to eradicate coca. Security, therefore, continues to be a priority concern for all PDAP activities. Fortunately, during the quarter, no significant armed actions by subversive groups took place in comparison with last quarter.

It is becoming apparent that while alternative development is evolving and moving slowly in the VRAE, it is also clear alternative development is present and the shift from illicit to licit activities is underway. USAID's PDAP program is playing an important and key role in this evolution and in securing that 57 out of 404 communities in the VRAE are now free of coca.

Those responsible for this evolution do not talk of the participation of the state nor of the division of power within the state, nor of the checks and balance system between them. Nor is there a group of intellectual leaders promoting the principals and processes fostering a long term vision for licit economic development.

Those responsible for this evolution instead speak of the multiplier impact of the positive changes that PDAP has fostered in the participating communities, of the immediate direct benefits of the basic infrastructure being supported under the program, of the increased security for the citizens living in the communities, and of the benefits from participating in licit productive activities. They aspire for an improved economic and productive infrastructure to ensure the sustainability of the licit economy in their regions, which in turn will open the doors for the active participation of the private sector and promote access to markets in their valleys.

Regional Governments, mayor, lieutenant governors, local authorities, agricultural product associations, municipal associations, community leaders and NGOs have formally recognized that this change in attitude and behavior is irreversible and have made the decision to support and strengthen this change, have drafted strategies and proposals to promote the voluntary eradication of coca in their region, and there now exists proposals and strategies to carry out alternative development with their own initiative and participation.

A key lesson learned reinforced dramatically during this quarter is the need to respond in a timely and factually accurate manner to complaints regarding the compliance or not of PDAP activities. When we have been able to listen to the complaints, often times the problem is not the status of the program or even what has been done or not, but rather misinformation, even unintentional

misinformation, that is causing the concern. When the time is taken to listen and respond, more often than not the communities recognize that progress is being made, PDAP is complying, albeit slower than originally anticipated, to the agreements made in the convenio marco. Often times the communities themselves recognize their own role in the delay or lack of progress in the implementation of the activities. While every effort to ensure the effective and efficient implementation of the activities committed to in the convenio marco is the main driving force for the PDAP team, ensuring there is continuous and accurate reporting of program status in the communities will go a long way to mitigate potential and real negative reactions against the program caused by the delay in program execution to date.

## CHAPTER I:

### CLIN 2: AUTO-ERADICATION

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CLIN 2 is the major focus of the PDAP program. It is composed of all of the activities focusing on promoting the sustainable voluntary eradication of coca in the target regions. The key components of activities include: socialization (including eradication), infrastructure, economic service centers (productive projects), natural resources, and land titling. A key activity during the reporting period was the preparation of diagnostic assessments of three priority areas for PDAP implementation: San Martín Norte, San Martín Sur, and Aguaytía. The purpose of the diagnostics was to compile critical information on key characteristics in each area that would in turn form the basis for specific activity planning and management decision making for current and future programming.

#### A. Socialization

Socialization initiates the process leading to the signing of agreements (*convenio marcos*) with communities committed to participating in the PDAP program. The key functions in the area of socialization are: implementing the first level of the communication strategy through “door to door” visits to the communities to encourage their participation in the voluntary reduction of their coca crops; assisting the Regional Offices in convincing the local and regional authorities to participate in the PDAP; facilitating the entry of CADA to measure the coca crop and then confirm completion and achievement of the eradication target; and collaborating in the supervision of communities to guarantee “zero coca”.



Activities of two key local subcontractors--Accion Sin Fronteras (ASF) and CEDRO--contributed substantially to activities both in the socialization and communications areas. Activities focused on preparing staff for the new intervention phase in Tocache and Aguaytia that was initiated during this quarter.

#### *Acción Sin Fronteras (ASF)*

During this quarter, ASF focused on defining the profile of the *facilitador* for community interventions based on the revised framework (*convenio marco*) agreement to be negotiated and signed with the communities. ASF worked closely with PDAP to design this new profile given the needs and role of the *socializador*. ASF also evaluated current PDAP *facilitadores* to assess the degree to which they conform to the new profile. In the next quarter, ASF will refine the profile of the *socializador* as well as assist in the selection of new personnel with the professional experience to effectively carry out this role.

#### *CEDRO*

CEDRO's activities this quarter centered on communications and working with local authorities to assist PDAP staff enter new communities in Aguaytia and Tocache. CEDRO staff also assisted with the dissemination of messages in Tingo María and VRAE to promote the PDAP program. CEDRO also continued activities related to its licit employment alternatives program for youths in the new PDAP zones. These activities include contact with local authorities and community

organizations, and the formation of youth groups in the communities to assess options for generating employment opportunities. Following the assessment, CEDRO will undertake capacity building and training in these areas. In the next quarter, CEDRO will work on an aggressive communications campaign to facilitate entry into new communities in Aguaytia and Tocache.

### Preliminary results of the application of a revised intervention strategy



Meetings were held with local authorities and members of roughly 85 communities in the designated areas where the revised intervention strategy will be applied. The meetings focused on communicating to the participating communities the key elements of the revised intervention strategy: new approach to measure the coca crops (versus by community); the introduction of multi-communal infrastructure projects, and the new approach to sustainable economic activities, an approach seeking to involve the private sector from the beginning of

the intervention.

Table 1 below shows the number of communities per District where the new intervention strategy will be used. An \* identifies those areas which have been approached but which will not be attended in Calendar Year (CY) 2004 due to budget and/or intervention strategy-related reasons.

### Communities open to accepting the new strategy

Location	Number of Communities	Number holding CADA Letter	Number to visit to procure CADA Letter
Leche	20	20	0
Aguaytía	47	9	38
Uchiza *	8	0	0
Progreso *	1	0	0
Shunté *	1	0	0
Tocache *	2	0	0
Pólvora *	6	0	0
<b>Total</b>	<b>85</b>	<b>29</b>	<b>38</b>



An important element of revised intervention strategy is the focus on generating the support for PDAP activities first with Mayors, Municipal Representatives and Deputy Governors of each community. This is further ratified by the signing of a document recording the main points agreed to during the meetings.

Based on the information obtained from the diagnostic assessment, community leaders are able to classify their own needs into different categories, focus on solutions for the region, and calculate the approximate budget-cost for each one of the alternative solutions.

The diagnostic assessment is a tool that also helps municipal governments in their own planning as it provides valuable information on the current situation in their respective municipalities which can be easily integrated into their annual operational plans.

## A.2. Quarterly statistics

Table 2 below summarizes the objectives achieved during this period.

**Table 2: Statistics**

<b>Activity</b>	<b>Objective achieved</b>
Reduction of hectares of coca crops	403 hectares
Submission of diagnostic assessments to Mayors and local authorities	11 meetings
Visit to new communities to request CADA letter	46 communities
Communities that have signed letters to CADA requesting measurement of coca crops	29 letters
Communities being measured according to new method	20 communities
Coca crop hectares measured in Leche	84 hectares approx.
Controlled <sup>1</sup> communities found free of coca crops	200 communities
Hectares identified during control visit	531.85 hectares
<b>Preliminary identification of new communities for 2005</b>	<b>353 communities</b>

The cumulative amount of coca eradicated for the period January 1 to September 30, 2004 is 1,734 hectares, or 64% of the target established for all of 2004 of 2,700 hectares

## A.3. Validation of results of diagnostic assessments with mayors, municipal representatives and deputy governors of the new communities

A total of 11 meetings were held to present the preliminary results of the diagnostic assessments in the Tocache and Aguaytía region. Participants in these meetings included roughly 215 local authorities and 10 Mayors. The authorities expressed their keen interest in the results of the diagnostic assessments, particularly the Mayors. Printed copies of the results were distributed at the request of the Mayors. Table 3 summarizes this information:

**Table 3. Presentation of Diagnostic Results**

<b>Description</b>	<b>Aguaytía</b>	<b>Tocache</b>	<b>Total</b>
Meetings	6	5	11
Number of participating Mayors	4	6	10
Number of participating Municipal Representatives and Deputy Governors	86	129	215

## A.4. Control Program

One of this quarter's central activities consisted in carrying out a control (repaso) visit to approximately 200 communities, representing 70% of all communities declared as coca free, to detect any non-declared coca or resurgence of coca planting. In these 200 communities, roughly 531 hectares of coca plantings were identified. It is important to highlight these hectares do not represent new coca plantings but rather coca that was previously not declared nor measured by CADA during the original intervention. As a result of these findings, coupled with other lessons learned, a revised intervention strategy is being tested. Of the 531 hectares of coca identified, 493

hectares are being eradicated voluntarily by the respective communities. The only benefit being received for this eradication is the payment of the bono. In the remaining cases, PDAP is negotiating with the communities to eradicate the newly identified coca—the main issue is that the growers of the non-declared coca were not original signers of the Convenio Marco and therefore a different strategy is required. This “control” work, in addition to providing an important quality assurance and credibility function, is serving to ensure the target communities and regions get closer to the “zero coca” objective. This information is summarized in Table 4.

**Table 4: Zero Coca Controls**

<b>Results of the “Zero coca controls”</b>	<b>Goal reached</b>
Communities visited for “zero coca controls”	200 communities
Communities growing other additional crops <sup>1</sup>	65 communities
Hectáreas identified <sup>2</sup>	531 hectares
<b>Families with non-declared coca crops<sup>3</sup></b>	1411 families

### A.5. Status of the Communities

Table 5 below shows community information by Regional Office, according to process-related variables:

**Table 5: Status of the controlled (re-visited) communities**

<b>Status of the communities</b>	<b>Aguaytía</b>	<b>Tingo María</b>	<b>Tocache</b>	<b>VRAE</b>	<b>Total</b>
With Convenio Marco	149	56	79	88	372
Coca free	118	37	77	53	285
Out of 372 communities, reduction to zero still pending	31	19	2	35	87
Openly reject Convenio Marco <sup>4</sup>	0	0	0	4	4
Visited to encourage reduction	31	19	2	31	83
Committed to reduce	7	0	0	4	11
In the process of negotiating reduction	15	11	2	11	39
<b>Object to reduce to zero<sup>5</sup></b>	9	8	0	16	33

### A.6. Constraints

Some of the constraints or issues PDAP has been working with during this part quarter include the following:

1. Lack of political decision on the part of the GOP to enforce Article 5 of the Convenio Marco (Numeral 8: programmed reduction) and resulting prohibitions in the intervention areas.
2. The measurement of coca crops under the revised intervention strategy has proven to be a slower process than anticipated due to the extension and difficulty of the terrain and the lack

<sup>1</sup> Communities with ha of coca crops which have not been declared in the Convenio Marco nor measured by CADA

<sup>2</sup> Ha identified in the 65 communities referred to above

<sup>3</sup> Families that did not sign the Convenio Marco and had coca crops

<sup>4</sup> Eradication by CORAH is recommended for these 4 communities

<sup>5</sup> Eradication by CORAH is recommended

of adequate satellite images of the target areas. This delay in the measurement of coca crops did impact program implementation progress during this past quarter. PDAP is working closely with CADA to define how to overcome these obstacles, including helping to purchase enhanced satellite images to determine if, through these enhanced images, more effective targeting of limited CADA resources could be done.

3. The new intervention strategy also requires additional programming time as it promotes the more active and concerted involvement of local authorities.
4. Delays in the delivery of the agreed to projects identified in the Convenio Marco is beginning to generate some unrest within the impacted communities and is testing the credibility of the PDAP program. *This in turn is causing some concern for the safety of the facilitadores which PDAP is continuously monitoring.* PDAP is doing everything possible, working closely with USAID and DEVIDA, to expedite the delivery of the agreed to projects and also to develop a more responsive communications strategy to ensure the communities are aware of the status of their respective projects, reasons for delays, and related issues.

### **A.7. Recommendations**

The following recommendations have surfaced to improve program implementation during this quarter.

- Ensure close and ongoing coordination with CADA to speed up the measurement process and provide it with state-of-the-art tools (i.e. satellite images) required for the teams to work efficiently.
- Identify new communities with large extensions of coca crops in order to have alternative objectives when faced with difficulties to apply measurements of coca crops in target areas, as is occurring in Leche.
- Continue training programs for *facilitadores* to ensure they are effectively communicating PDAP services and status of activities.
- Carry out socialization activities directed towards community members and authorities to ensure they become active stakeholders, owners, of PDAP activities and results.

### **A.8. Lessons learned**


The following lessons learned have been identified during this quarter based on repeated field visits and meetings with key counterpart organizations, USAID, DEVIDA and implementing partners. Current and future implementation activities are taking these valuable insights into consideration.

- The communities are not fully aware of the terms of the Convenio Marco and only understand it as a document to be complied with. It is necessary to address this aspect as part of the communication and public education campaign to reinforce a sense of obligation.
- On some occasions, the Mayors are not able to openly support the program because they feel threatened by leaders of the coca growing associations.
- The communities' priority demand is support in the area of productive projects.

- More work is required at community level as it is clear that some local authorities lack the necessary decision power to commit to anything on behalf of the community.
- Migrant inhabitants in the communities hold the largest extensions of coca crops and are generally opposed to the program.

### A.9. Next Steps

The activities for the upcoming quarter include:

- Complete the zero coca control process in the remaining 30% of communities.
  - Co-program PDAP's intervention areas (microbasins) for 2005 with USAID, NAS, CORAH, CADA, DEVIDA and discuss and agree on the areas to be handled by CORAH.
- 
- Carry out a diagnostic assessment in the areas selected and approved by USAID according to the preceding point.
  - Prepare an Operation Plan for year 2005 for voluntary eradication.
  - Train the selected facilitators to use the new Facilitator's Manual, the content of the Convenio Marco, Technical Fact Sheets, communications, and customer service.
  - Facilitate the negotiation and signing of amendments with those communities requiring a change of infrastructure or those requiring a change of date for commencement of CSE support.
  - Deliver written and verbal information to 100% of the communities regarding compliance of the Convenio Marco with the status of infrastructure, production and land titling projects.
  - Collect the written Certificate of Conformity of Compliance of the Convenio Marco from the Coordination Committees representing 100% of the communities.
  - Jointly prepare and execute a work plan with CADA to start implementing measurement of coca crops in the intervention areas located in Aguaytía, so as to:
    - Analyze together with USAID and DEVIDA the different benefit options and investment amounts required for Aguaytía.
    - Enter into the communities to negotiate the various economic scenarios and PDAP benefits with the communal leaders, local authorities and Mayors.
    - Enter into the communities with DEVIDA to sign the Convenio Marco.
    - Start voluntary eradication in Aguaytía

- Once CADA completes the measurement of coca crops in San Martín Norte, Leche:
  - Analyze together with USAID and DEVIDA the different benefit options and investment amount required for Leche.
  - Enter into the communities to negotiate the various economic scenarios and PDAP benefits with the communal leaders, local authorities and Mayors.
  - Enter into the communities with DEVIDA to sign the Convenio Marco.
  - Start voluntary eradication in Leche.
  - Follow-up eradication objectives.
- Eradicate the hectares of coca crops still pending according to CADA reports.

## B. Infrastructure

The objective of the infrastructure component is to provide the communities that have signed the *Marco Convenio* agreement with DEVIDA for the voluntary reduction of coca crops with the identified social and economic infrastructure activities. These projects are meant to improve the livelihood and quality of life in the participating communities and to provide the foundation to foster a sustainable link between producers and local, regional and national markets. In addition, and to the greatest extent possible, all work will be done utilizing local labor and firms to ensure the added benefit of direct employment through payment of wages in the implementation of the identified projects.

### B1. Quarter Activities

Infrastructure activities centered on the following stages of the process:

- preparation of technical specifications
- preparation of the necessary environmental assessments
- selecting the appropriate firms to implement/construct the defined project
- supervising the construction project
- transferring the concluded project to the appropriate authorities where applicable

The following table summarizes the number of infrastructure projects in each PDAP target region and the point where they are in the implementation cycle.

**Table 6: Infrastructure cycle**

Infrastructure Work Cycle	Aguaytía	Tingo María	Tocache	VRAE	Total
Pre-implementation phase	75	3	5	5	88
Design phase	55	4	5	4	68
Evaluation phase	36	0	5	0	41
Approved/ready for contract award	63	7	10	15	95
Implementation	40	26	14	11	91
Temporarily stopped	1	0	3	6	10
Completed	66	29	45	35	175
Cancelled	1	0	0	4	5
<b>Total</b>	<b>337</b>	<b>69</b>	<b>87</b>	<b>80</b>	<b>573</b>

Table 7 provides a summary by type of project for the 91 works under execution as well as the 175 that have been completed to date.

**Table 7: Summary by type of project**

Project Classification	Project Type	No. of works in process this quarter	Total No. of works completed to date
Educational infrastructure	Classrooms and restrooms	72	49
	Multi-use areas	67	50
Community infrastructure	Other community infrastructure	23	12
	Potable water systems	75	21
Water and Sewage	Sewage systems	11	1
Health infrastructure	Health posts, health centers	21	2
	Intermediary roads	82	17
Roads	Bridges	27	13
Economic infrastructure	Construction of facilities to improve productive chains	8	5
Electrification	Hydroelectric systems	12	5
<b>Total</b>		<b>398</b>	<b>175</b>

## B2. Lessons learned

The following lessons learned have been identified during this quarter and are being taken into consideration for future activities.

- Due to careful monitoring of ongoing construction activities, some deficiencies in supervision and compliance with the technical specifications of the projects have been noted. While clearly an exception, it highlights the need to ensure quality control and proper staffing in the regional office to maximize supervisory responsibilities. As a result, staffing at regional offices will be more closely correlated to the volume of project activity in the region to ensure effective supervision of the projects being implemented.
- The supervisory skills of the engineers in the regional offices should be strengthened through workshops with Lima-based support staff and increased field visits by the Lima staff.
- Increasing initial disbursement to subcontractors can help accelerate implementation schedule, but requires close monitoring to ensure proper use of these funds.



- Some deficiencies in program implementation and supervision have been noted in the capacity of the municipal associations. Greater involvement of the private sector via IQC contracting mechanisms is expediting implementation.
- Coordinating the disbursement schedule with private subcontractors helps ensure that disbursements more naturally follow the project cycle.
- Standardized project blueprints assist in reducing design and implementation time and establishing budgetary parameters.
- Increased scrutiny at the design stage allows for a more accurate estimate of budgetary requirements and assists with overall programmatic activities.

### **B3. Recommendations**

The following recommendations have surfaced to improve program implementation during this quarter.

- Environmental screenings should be initiated as soon as possible so as to not create unnecessary bottlenecks further into the project cycle. Without sacrificing completion in the work, evaluations should be conducted early in the project life.
- For municipalities that have a proven track record with implementation and timely and orderly account rendering, PDAP should make advance disbursements equal to or greater than 60% of total project costs so as to prevent liquidity-related project delays further down the road.
- Training sessions for administrative staff at municipalities should be held in order to minimize the number of incidents of non-compliance with PDAP auditing standards and associated project delays.
- Standardized project blueprints, adapted to local conditions, should be designed for all project types in order to help expedite design and implementation and assist in providing basic budgetary guidelines.
- A database of regional unit prices should be constructed to facilitate the review of submitted project budgets.
- General budgetary ceilings by project type should be made available at the socialization and technical design stages to prevent a discrepancies between technical and financial elements of the program that, when occur, result in delays in implementation.
- Additional technical responsibility should be delegated to regional office staff.
- The project implementation strategy should take into account different geographic conditions, accessibility of project site, as well as climatic considerations.



- It is important that infrastructure specialists be present in the negotiation with the communities to assure that only viable projects are proposed and filtered by the community to the Convenio Marco. This will prevent problems after the signing if it is determined that a prioritized project is not technically or financially feasible.

#### **B4. Constraints**

Some of the key constraints identified during field visits and for which solutions are being drafted include:

- There are a limited number of private companies available to work in the target areas and a reticence to accept projects in these areas given security concerns.
- Technical specifications have been, in cases, deficient and their reformulation requires additional time as well as human resources.
- Review of design specifications by subcontractors has been deficient creating the need to review and modify the design further down the project cycle.
- Administrative processes such as account rendering in order to satisfy PDAP auditing and accounting procedures is a frequent source of execution delays.
- The capacity of regional office engineering staff to supervise effectively the number of projects under implementation.

#### **B5. Activities for next quarter**

The activities for the upcoming quarter include:

- Undertake a comprehensive collection of all infrastructure data to complete the integration with the Monitoring and Evaluation platform. The process is currently 90% completed and activities will culminate during the first portion of the next quarter.
- Implement the information system. This includes training all personnel in the efficient use of the system in order to minimize input errors and promote effective decision making.
- Evaluate efficiency of the area by conducting a technical audit to infrastructure works executed during the initial contract with USAID in order to examine and improve upon processes and internal procedures for selecting, designing, evaluating and supervising new infrastructure projects.
- Elaborate a unit cost database by geographic zone in order to promote effective cost control measures and to assure precise programming and projection of budget.

#### **C. Economic Service Center (CSE)**

The main objective of the CSEs is to design and implement legal economic activities with a business vision and which involves the direct participation and leadership of business entrepreneurs and investors in the coca growing areas. This focus on and involvement of the Peruvian business

community and private sector in coca producing areas is essential for sustainable economic development to take hold and ultimately drive economic growth in the four coca growing valleys and surrounding influence areas. To order to accomplish this objective, PDAP is actively identifying and implementing ways to engage the active participation of the private sector and the population in the specific PDAP activities while also taking into consideration all environmental regulations, the best use of financial resources, and the available and future productive economic infrastructure.

### **C1. Major activities during the reporting period**

Following up on a workshop involving PDAP, PRA and Chemonics Home Office staff last quarter, the CSE PDAP was established at the beginning of this quarter with its base in Lima and a sub-center in each of the four PDAP target areas. Durval Zambrano, who previously served as the head of the Cuzco PRA office, was hired as the director of the CSE PDAP.<sup>6</sup> The staff for each of the offices were reviewed and selected and started work during this quarter. Key workshops were held to ensure all staff understood the methodology, processes and procedures that would be employed in the PDAP CSE and to ensure effective coordination with the PRA project. Key outputs as a result of the workshops were:

- Defined common criteria and work targets for the PDAP CSE and sub-CSEs.
- Reviewed feasibility of each crop in the priority target areas and prepared technical fact sheets as a basis for future business planning.
- Defined strategy to initiate commercial contacts with different companies interested in supporting CSE-promoted businesses.
- Defined a revised intervention models to apply the PRA concept and methodology in the CSE PDAP.
- Conducted a second workshop to formulate CSE and PDAP management and result indicators.
- Prioritized communities to receive assistance given Convenio Marco commitments and budget parameters.
- Developed business fact sheets for the different products currently being considered by PDAP for implementation.

In addition, and together with PDAP management, the CSE staff developed a proposal for consideration by USAID, offering three different models and budget scenarios to execute CSE activities. USAID approved version 1 of the model, which focuses on utilizing a public bidding process to contract commercial buyers of specific market crops (e.g., cacao, coffee, bananas, cotton, and others) to provide technical assistance and supervise the administration of materials and supplies to those families signing the Convenio Marco. The model also presumes that PDAP, at least initially, will be in charge of buying the materials and supplies (*insumos*). The corresponding budget scenario for Model 1 is US\$7.9 million. Subsequent to this decision, the following activities have been undertaken:

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<sup>6</sup> .Durval Zambrano subsequently resigned in late August and a replacement, Carlos Diaz, has been identified. A revised organizational structure, ensuring the effective coordination with PRA, is being finalized.

- Designed and approved an in-house CSE plan for the priority activities to be conducted in the September-October 2004 time period, detailing monthly budget requirements, technical specifications of materials required by CSE for direct purchasing, and an assessment of associations which could potentially be considered to be donors for handling materials.
- Defined the public bidding process, developed the terms of reference and publicized them to initiate the procurement process to select interested commercial firms and traders to provide technical assistance in cocoa, coffee, cotton, corn, grains (pastos), peanut and banana crops.
- Started the process to acquire and distribute the supplies to be managed directly by PDAP.
- At USAID request, initiated projects to establish 1,335 ha. Of palm heart production and palm oil maintenance in the Aguaytía area.
- Conducted field visits to assess and supervise progress in each of the productive projects.

## C2. Ongoing Productive projects

Special attention has been given to the implementation of ongoing productive projects as follows:

**Table 8: Summary of the status of Productive Projects**

Regional Office	Current status of productive projects					Total No. Projects
	Completed To 5/31/04	6/1 to 9/30/04	Reprogramm ed	Transferred from C1 to C2 <sup>7</sup>	Recent with C2	
Aguaytía	3	7	0	3	2	15
Tingo María	2	4	3	4	0	13
Tocache	0	0	0	4	0	4
VRAE	1	5	4	10	0	20
Total	6	16	7	21	2	52

- Out of a total of 52 projects, 16 were completed during this reporting quarter, for a cumulative total of 22 projects concluded. It is anticipated the remaining 30 will be concluded by March 2005.
- The ongoing projects are being implemented by a total of 35 implementers, including associations, production companies and NGOs with whom we work closely and guarantee the adequate administration of resources, materials, goods and services to the beneficiary families.
- During this quarter support was given to 19,812 ha, of an accumulated total of 21,750 ha of alternative crops, benefiting 19,104 families. Additionally, 1,222 families have benefited from a Paiche (fish) breeding project that is being executed in conjunction with the Regional Government of Ucayali. Table 9 below shows the main crops being supported by region and overall.

<sup>7</sup> Contract 527-C-00-04-00043-00 (new contract)

**Table 9: Total area of crops receiving technical aid under the scope of CSE- PDAP at September 30, 2004**

Ámbito	Cacao	Café	Pastos	Piña	Plátano	Camu Camu	Maíz	Algodón	Maní	Papaya	Cítricos	Palmito	Palma aceitera	Total
Aguaytía	1600	160	130	52	630	60	330	4370				118	1335	8785
Tingo María	1400	604			139		140			23	144			2450
Tocache	3178						1107							4285
VRAE	4126	1833							271					6230
Total	10304	2597	130	52	769	60	1577	4370	271	23	144	118	1335	21750

- Out of these, cocoa and cotton are the two crops with the highest potential based on the extension of the plantations and volume of sales to be generated. It is noted that the market for these products are on an upward trend. The other crops could also increase in value as production and productivity levels increase, as shown in Table 10 below:

**Table 10: Production projects: productivity levels**

Regional Office	Crops	Unit of measurement	Initial yield / ha <sup>8</sup>	Present yield / ha <sup>9</sup>	Harvests begins	Percentage of progress of harvest in relation to campaign
VRAE	Coffee	Qq	6	12	April	90%
	Cocoa	Kilos	250	600	March	80%
	Peanut	Kilos	800	1000	January	100%
Tingo María	Coffee	Qq	2 - 3	10 - 12	February	90%
	Corn	Kilos	1000	2000	September - October	100%
	Banana	Kilos	10000	10000	Year round	0%
Tocache	Cocoa <sup>10</sup> (3)	Kilos	700	800	April-Aug/Nov-Dec	70%
	Corn <sup>11</sup> (4)	Kilos	1500 - 2000	2000 - 4500	June-September	50%
Aguaytía <sup>12</sup> (5)	Corn	T	2	4.5 - 5	Feb-Mar/ 2004	100%
	Cotton	T	0.6	-	Jul-04	80%

<sup>8</sup> Data considered in the project profile -business plan

<sup>9</sup> Corresponds to harvest data /ha and for the April-June quarter

<sup>10</sup> The area comprises 232 ha in Pachiza, Huicungo and in Chazuta 11 ha, out of which 50% are currently in production. Current price is S/. 3.90/Kg

<sup>11</sup> Total area of the project is 1107 ha, out of which 10% is being harvested , and yield is expected to surpass 2000 kg/ha. Current price is S/. 0,38/Kg

<sup>12</sup> Cotton is expected to be harvested next quarter. Aguaytía indices have been estimated on the basis of the % of advancement of the harvests ranging between 23 and 90%. Corn harvesting on the other hand has been concluded.

	Pineapple	T	50	60	January-04	80%
	Coffee	Kilos	550	605	March-04	100%
	Cocoa	Kilos	450	682	August-04	80%
	Camu camu	Kilos	1000	1000	January-04	70%
	Banana	t	14	35	October-04	60%
	Heart of Palm	t	2.5		June-September/04	0%

- Through June 15, 2004, technical assistance was being provided by MEDA and IDESI, two subcontractors originally under PRA supervision for the management of business activities in the four coca valleys. Since then and pending the award of the contracts to the private sector organizations, the technical assistance is being provided directly through PDAP. Once the contract to the private firms is awarded, this technical assistance and maintenance support will be provided directly by the private companies interested in purchasing the product, with USAID support being gradually reduced over the next three years.

**Table 11: Area of crops receiving technical aid under the scope of CSE which are now continuing on to the maintenance stage**

Location	Cocoa	Coffee	Pineapple	Banana	Camu Camu	Papaya	Citric fruits	Heart of palm	Oil palms	Total
Aguaytía	1,600	160	52	630	60			118	1,335	3,955
Tingo María	1,400	604		139		23	144			2,310
Tocache	3,178									3,178
VRAE	4,126	1,833								5,959
<b>Total</b>	<b>10,304</b>	<b>2,597</b>	<b>52</b>	<b>769</b>	<b>60</b>	<b>23</b>	<b>144</b>	<b>118</b>	<b>1,335</b>	<b>15,402</b>

- Projected goals programmed for this period through March 2005 are shown in Table 12:

**Table 12: Areas of crops proposed for receiving technical aid by CSE at March/05**

Location	Cocoa	Coffee	Cotton	Grasses	Corn	Pineapple	Banana	Peanut	Citric fruits	Rubber	Total
Aguaytía	785	233	746	1,507			272				3,543
Tingo María	711	124		502	86	41	8		219		1,691
Tocache	2,946	256			293					184	3,679
VRAE	238	96						18			352
<b>Total</b>	<b>4,680</b>	<b>709</b>				<b>41</b>	<b>280</b>		<b>219</b>		<b>9,265</b>

- Cocoa is the main crop receiving CSE technical assistance, followed by coffee, grasses, bananas and oil palms among others. Cotton crops receive support in Aguaytía and corn crops receive support in Chazuta.
- Commercialization efforts to trade banana, pineapple, coffee, peanut, and cocoa products were also supported, boosting credibility and creating a better disposition on the part of the communities towards the PDAP.

As shown in Table 13, net sales in the PDAP intervention areas during the reporting period totaled \$1,683,570. The accumulated total as of September 2004 was in excess of US\$8.1 million and net sales are expected to increase even more in the next quarter.

**Table 13: Net sales in US \$ accumulated at June 2004 in PDAP intervention areas**

Region	Net Sales, as of June 2004	Net Sales, July- September	Total Sales	%
Junín	\$159,995	\$5,083	\$165,078	2%
Cusco	\$186,316	\$89,476	\$275,792	3%
Ucayali	\$1,159,412	\$298,184	\$1,457,596	18%
Huanuco	\$2,032,144	\$23,477	\$2,055,621	25%
San Martín	\$2,021,135	\$1,019,674	\$3,040,809	37%
Ayacucho	\$871,001	\$247,676	\$1,118,677	14%
<b>Total</b>	<b>\$6,430,003</b>	<b>\$1,683,570</b>	<b>\$8,113,573</b>	<b>100%</b>

### C3. Lessons learned

The following lessons learned have been identified during this quarter and are being taken into consideration for future activities.

- Productive projects must be rigorously implemented in accordance with the agricultural calendar.
- PDAP and PRA and the corresponding USAID SO teams need to maintain open communications and effective cooperation at both the central and regional levels.



- It is necessary to continue implementing the planning mechanism introduced during this quarter, to comply with the commitments that have been made in the short, medium and long term.
- Compliance with the agricultural calendar enhances a feeling of trust in PDAP on the part of the beneficiaries.
- Based on efficient planning, we should seek to improve PDAP and DEVIDA's

capacity to quickly respond to all of the concerns expressed by the communities in order to prevent crises.

- Teamwork inside CSE and in coordination with the Sub CSE and the PRA Project is a strength that should be used to make CSE PDAP more efficient with respect to directing, controlling and supervising the amounts disbursed and pending disbursement to associations, private companies and the Regional Offices.

#### **C4. Compliance with work schedule**

The detailed work that was required for the CSE integration process created a few compliance-related problems with respect to the relatively little attention given to those communities with pending projects and in new intervention areas. These were primarily caused by the following reasons:

- Approximately 40 days were invested in working with the integrated CSE group (roughly 35 professionals) to carry out a detailed analysis of the status of each one of the crops in each one of the four Regional Offices.
- The length of time required to design and discuss the different intervention models and budget scenarios within PDAP and USAID.
- The length of time required to design the Terms of Reference for the application of Model I and its subsequent approval.
- The length of time absorbed by the public bidding process, to select the private companies interested in purchasing the products and who would also provide technical aid.
- The direct acquisition, through PDAP, of the materials needed to comply with the agricultural calendar.

#### **C5. Recommendations**

The following recommendations were developed based on our experience to date implementing the revised CSE-PDAP model.

- Give priority to the social and technical criteria proposed by CSE for the implementation of the productive and business-related activities.
- Evaluate CSE staff..
- Discuss the implementation of subsistence projects with USAID to attend the needs of those families who do not qualify for benefits under the current intervention model. These families have not been included in CSE's present budget.
- Define with USAID the strategy to be used to attend those families who signed the Convenio Marco by means of addenda and who have not been considered in the budget.
- Prioritize immediate start-up of businesses.

#### **C6. Constraints and challenges**

The principal challenge during this quarter was to ensure and encourage the participation of private companies in the bidding processes. The challenge for the next quarter is to ensure the successful

firms are able to provide the required technical assistance services, trading knowledge and connections and access to markets for the products being promoted and marketed under PDAP.

### **C7. Activities for next quarter**

The activities for the upcoming quarter include:

- Direct acquisition of materials by PDAP in order to comply with schedule set forth by the agricultural calendar.
- Determine the mechanisms to be implemented to distribute these materials in order to guarantee maximum efficiency during this process.
- Review the bids received and award the technical assistance contract to the selected private sector firm.
- Define and implement an effective supervision program for both the providers of the inputs and the technical assistance firms to ensure they are complying with contractual obligations.
- Inform the communities about the implementation strategy for productive projects.
- Promote business development within PDAP.
- Prepare final reports for concluded projects.
- With the M&E team, update the database of productive projects, specifically in regard to beneficiaries defined within the Convenio Marco and number of families attended.
- Ensure beneficiaries receive current and continuous information on the progress made by the CSE in a timely, agile and accurate manner.



## D. Natural Resources

The objective of this PDAP component is to promote and establish legal economic activities based on the responsible use of forest resources in such a way that the participating population may have access to improved living conditions. A corollary objective is to ensure that all projects undertaken by PDAP are developed in strict observance of both Peruvian environmental legislation and USAID regulations, thereby making certain that all works and projects are executed in harmony with the environment.

### D1. Results

Table 14 below shows the projects that are currently under execution in each of the Regional Offices. These projects are in different stages of execution. For example, in the case of the Sinchi Roca rubber project, this activity is already producing income. On the other hand, the Achinamiza rubber project is in the final design stage and will be implemented during the next quarter.

The different technical studies have been completed for the various management plans and are currently pending approval from INRENA. These processes have taken more time than expected due to bureaucratic difficulties, lack of documentation obtained from the communities and flawed delimitations.

It is expected that at least three of these management plans will be implemented in the next quarter. In the case of the Sinchi Roca management plan, which had been delayed due to a change in the implementation strategy, work is scheduled to commence in October. It is anticipated by December the private company which is the identified implementing partner with the community will be investing approximately US\$40,000 in the form of portable sawmills to carry out primary processing in the area.

**Table 14: Projects currently under execution**

PROJECT	REGIONAL OFFICE			
	Tingo María	Aguaytía	Tocache	VRAE
Gocen forest management plan and industrial module	x			
Sortilegio agro-forestry system	x			
Selva Alta Tres de Octubre forest management plan	x			
Sinchi Roca forest management plan		x		
Puerto Nuevo forest management plan		x		
Uni Pacuyacu forest management plan		x		
Santa Martha forest management plan		x		
Sinchi Roca rubber module		x		
Puerto Nuevo rubber module		x		
Uni Pacuyacu rubber module		x		
Santa Martha rubber module		x		
Alto Santa Cruz management plans and industrial module			x	
Nuevo Oriente management plans			x	

and industrial module				
Achinamiza rubber module			x	

- Work Days Generated**

The work days (*jornales*) generated shown in Table 15 are those paid by PDAP for activities completed. It is important to mention that in the case of the Sinchi Roca and Puerto Nuevo rubber projects which are already undergoing execution, *jornales* are being assumed by the community-companies, on their own account.

**Table 15: Work days (*jornales*) generated by Regional Office**

Regional Office	N° of projects		Number of beneficiary families		Work days generated	
	May-June	July-Sept	May-June	July-Sept	May-June	July-Sept
Tingo María	4	4	272	272	1566	1566
Tocache	2		81		250	
Aguaytía	9	8	310	60	6300	1575
<b>Total</b>	<b>15</b>	<b>12</b>	<b>663</b>	<b>332</b>	<b>8116</b>	<b>3141</b>

- Value of sales**

The value of sales described in Table 16 below, refer to the sale of rubber sheets in Sinchi Roca and Puerto Nuevo. This quarter, production has experienced a downturn due to the fact that at this time of year the trees shed their leaves and therefore cannot be harvested.

**Table 16: Value of sales by Regional Office**

Regional Office	N° of projects	Value of sales (Soles)	Comments
Tingo María			
Tocache			
Aguaytía	2	15,000	
<b>Total</b>	<b>2</b>	<b>15,000</b>	

Thanks to the assistance given by the PRA project, there is an excellent link available to see the association between these economic activities and the markets. Sinchi Roca's ECOMUSA has already signed two sales contracts for the supply of 1.5 and 3.5 tons of rubber per month for the Lima market. The forthcoming months are expected to bring in higher incomes. In Puerto Nuevo similar steps are being taken to repeat this experience.

- Forest diagnostic assessments**

The Natural Resources and Environment team formed part of the team conducting the initial diagnostic assessments in the new intervention areas. This included working with the team to identify the communities' forest potential and the possibility of developing forest-related businesses based on the use of forest resources. Some of the more notable results of the diagnostic assessment are outlined below:

- In San Martín Sur, 22,250 ha of forest land with an excellent potential for sustainable forest management was identified. The forest land is associated with 13 communities, 8 of whom have access to primary forest lands and 5 with access to secondary forest lands.
- The district with the greatest forest potential is Shunté, with 9,330 ha of primary forests, equivalent to 86% of the total area found in the communities reviewed.
- A total of 5,900 ha of secondary forests with potential for sustainable forest management were identified in the Aguaytía area. The forest lands are associated with 6 communities located in the Campo Verde district.
- In the Leche area, there are roughly 10,000 ha of forestland with potential for management. Moreover, PDAP identified the existence of “Huacrapona” (*Iriartea deltoidea*) palms, with optimum diameters for use in the construction sector (for flooring, parquet and structural elements). This product, if properly harvested, has high commercial value potential and there is already identified a high demand for it in the international market. Samples were gathered and were shipped to Spain for review.
- In Shunté PDAP identified a high potential for the development of forest-related businesses based on the exploitation of low and medium value wood species, in an area of 16,338 ha of forest growth.

## D2. Status of the Programmatic Environmental Assessment (PEA) and its implementation

PDAP has continued with applying conditions set forth in the PEA and is standardizing the application of the different procedures.

In summary, and as outlined below in Table 17, the PDAP Natural Resources team have (IS THIS CUMMULATIVE) been involved in a total of 96 projects, producing a total of 336 products. The six products under “Other Reports” correspond to more detailed studies that have been prepared to ensure environmental compliance.

**Table 17: Summary: No of Projects attended, by Regional Office**

Regional Office	No. of Projects	Management Instruments Produced		
		IEAs	Inspections	Other reports
Tingo María	18	7	5	0
Tocache	27	25	9	1
Aguaytía	51	225	43	1
VRAE	20	16		4
<b>Total</b>	<b>96</b>	<b>273</b>	<b>57</b>	<b>6</b>

In the case of VRAE, four treatment plants were redesigned. This resulted in significant savings in construction costs from the original design. In Tocache, an Environmental Adjustment & Management Program was prepared to refurbish the Chazuta-Shilcayo road.

As part of the implementation of the PEA PDAP has maintained open communication channels and interacted closely with DEVIDA and USAID, who are both important parties to the PEA. Training sessions, procedural reviews and inspections have been carried out on works and projects.

In order to speed up the environmental processes at DEVIDA level, PDAP hired four field assistants who are assigned to DEVIDA-Aguaytía and receive logistic support for the execution of their work from the natural resource team within PDAP.

### **D3. Lessons learned**

The following lessons learned have been identified during this quarter.

- Indigenous communities have their own particular idiosyncrasies and these do not always conform to the establishment of economic activities. For instance, many of them consider that it is much more important to work for 2 weeks now on civil works than to work in the rubber project which would guarantee them a long-term job.
- The establishment of economic activities in indigenous communities requires continuous and ongoing support and hand-holding (accompanying) during the initial phases – one or two training sessions is not enough. An ongoing communication campaign is highly recommended.
- Training given to environmental contractors regarding PEA procedures resulted in a marked improvement in their work. However, work is still needed in this area particularly ensuring compliance and supervision.
- The joint activities carried out with DEVIDA to implement the PEA turned out to be very positive and have resulted in improved relationships and a better control of field operations.

### **D4. Constraints**

Some of the key constraints identified during field visits and for which solutions are being developed include:

- Some communities still have difficulty recognizing the forest as a source of economic development, which explains why they do not insist on giving these activities priority when signing the Convenio Marco agreements.
- Project implementers, civil workers and work supervisors have little or no environmental awareness and in the rare cases that they do, they do not give it enough importance. This results in the execution of inadequate technical designs that require subsequent reformulation in order to comply with environmental regulations. This in turn results in further delays in project implementation which makes it difficult to comply with the date established to initiate the work.
- The Initial Environmental Assessments (IEA) preparation process still requires some fine-tuning. In particular, the objective should be to introduce as little non-relevant material as possible to ensure the focus of the evaluation is on the significant environmental impacts and their subsequent remediation.

### **D5. Recommendations**

The following recommendations are made to guide work during the next quarter and beyond.

- Place more emphasis on *facilitador* training programs in connection with environmental issues and forest activities so that they, in turn, can accurately relay this information to community members.
- In indigenous communities, it is important to provide ongoing, continuous support during program design and implementation, maximizing community participation.
- Incorporate information on forest projects that have been successfully implemented as part of the communication strategy, particularly in those regions where forestry projects provide a viable long term economic opportunity.
- Reinforce the role of supervisors as environmental inspectors and instruct project executors regarding technical files for infrastructure works. It is important for them to recognize the importance of environmental compliance, and that the budget set aside for this purpose should be utilized accordingly.
- Promote the rubber business as one of the major productive activities in targeted regions. Initial estimates indicate it could generate an initial average income of S/.400 per month per family on the basis of 20-year rotation cycles.
- With the installation of the sawmill projects, wood resources can provide needed added-value, which in turn can enable the communities to sell their wood-products at higher prices and be more competitive. Average income per family would be in the order of S/.350 per month for 12 months, recognizing that the effective work is based only on 6 months.
- It is absolutely critical that all of the requirements within and outside of the PDAP (INRENA for example) are fully completed immediately so that the economic activities designed can be implemented.
- The training activities already implemented for PDAP and DEVIDA staff and consultants and contractors should be continued, in close coordination with DEVIDA. In this regard, DEVIDA and PDAP should prepare standardized documentation to conduct environmental inspections.

#### D6. Activities programmed for the next Quarter

Table 18 below highlights the relevant future activities with each of the Regional Offices:

**Table 18: Future activities**

Key future activities	Regional Office			
	Tingo Ma	Aguaytía	Tocache	VRAE
Installation and operation of a rubber production module in Achinamiza			x	
Proposal for a training program for extracting and laminating natural rubber in the native communities of Sta. Martha and Uni Pacuyacu		X		
Operation of the Sta. Martha rubber module		X		
Operation of Uni Pacuyacu rubber		X		

module				
Installation of utilization modules in Gocen	x			
Installation of utilization modules in Alto Sta. Cruz			x	
Installation of utilization modules in Nuevo Oriente			x	
Installation of 15 ha. of agro-forestry systems	x			

## E. Land Titling (PETT)

The objective of this component is to provide land titles to 4,300 families participating in the voluntary reduction of coca crops in Aguaytia. The land titling process is being implemented in close coordination with the PETT<sup>13</sup>. By mutual agreement, the technical work is carried out using PETT supervision and standards. However, PDAP controls all field and discussion work related to the land titling process. After this, the pre-registration files for each property are passed to a PETT supervision team. The files submitted to PETT for review must be based on cadastral data and each file must enclose graphic information (maps or plans) and textual information (in connection with land-owners, legal status), in order to advance to the next stage of the process.<sup>14</sup> PDAP submits completed documentation to PETT for approval and corresponding processing.

### E1. Progress in work program during the Quarter

A total of 3,774 properties were delimited<sup>15</sup> using Submetric GPSs in 37 Communities distributed in 3 districts as follows:

- District of Padre Abad: Locality of Centro Yuracc
- District of Irazola: in the localities of Mar de Plata, Santa Rosa de Guinea, Virgen de Fátima, Virgen del Carmen, Bajo Uruya, Monte Sinaí, Víctor Raúl Haya de La Torre, Alto Uruya, Nuevo Satipo, Alto Shiringal, Bajo Shiringal, Nuevo Tahuantinsuyo, Alto Yanayacu, Corazón de Jesús, El Milagro, Nueva Bellavista I, Nueva Tiwinza, Nuevo Huánuco, San Pedro de Guinea, Nueva Palestina, Nueva Jerusalén, La Libertad de Pasarraya, Canaan de Piedras and Nueva Bellavista II
- District of Curimaná: in the localities of Nuevo Paraíso, Nueva Libertad, Nueva Meriba, Monte Sinaí, Zona Patria, 16 de Noviembre, Nueva Bellavista, Canaan de Piedras, Flor del Valle, Las Malvinas, Sol Naciente and Vista Alegre



<sup>13</sup> The official Peruvian entity charged with granting land titles in rural areas.

<sup>14</sup> To achieve the final product of delivering property registration certificates, a process has to be followed wherein PDAP has to also interact with the INRENA, the Agrarian Agency, INC, Official Journal El Peruano and the Public Registry Office (SUNARP).

<sup>15</sup> By means of topographic surveys

A total of 3,133 pre-registration files were prepared.<sup>16</sup> Out of these, 1,996 files are complete and contain all of the required graphic and textual information; 935 files have already been reviewed by PETT's Supervision team.<sup>17</sup> The difference is explained by the fact that previously quality control was carried out once each file had been completed, whereas now each file is controlled at every stage of the process.

Table 19 below summarizes the above-mentioned points.

**Table 19: Works in the Aguaytía Area**

<b>PROCESS</b>	<b>Progress during the quarter</b>	<b>Total Accumulated to date</b>	<b>% of Progress made to reach the goal</b>
<b>Delimitation with Submetric GPS</b>	1,912	3,774	88%
<b>Census registration (pre-registration files)</b>	1,271	3,133	73%
<b>Files with final report by PETT's supervision</b>	540	935	22%

## **E2. Major activities during the reporting period**

A brief summary of the key activities conducted during this reporting period follows.

- Instituted a process whereby quality control is now conducted by PETT<sup>18</sup> supervision throughout the entire process. This has greatly expedited the process and hopefully will ensure titles can be issued promptly.
- Conducted training of all staff in safety, self-protection and first aid. Trained staff is responsible for administering the first aid kit assigned to each brigade.
- Implemented a communication system and distributed 48 radios to brigades to facilitate communication program.
- Provided continued support to the Regional Office of PETT-MINAG Ucayali, in the form of rent payment for the premises, basic utilities and office equipment and supplies, and logistic support.
- Submitted for consideration an inter-institutional cooperation agreement to INRENA on September 16, 2004 to validate the reports on the classification of lands and to exclude our areas of work from the Permanent Production Forests. On September 16, 2004 all of the observations that PETT considered to be obstacles for signing the proposed Agreement were lifted.
- Submitted proposal to PDAP management to reengineer all posts and functions after evaluating their performance (monthly/weekly) in an effort to optimize the available budget, working

<sup>16</sup> In order to prepare a pre-registration file, apart from the survey plan, beneficiaries are required to register in a census in order to collect legal data and comply with the law. The difference between the delimited properties and the qualifying registered beneficiaries is attributed to non-compliance at the time of submitting the requirements or to missing documentation.

<sup>17</sup> The PETT-PDAP agreement which expired in March 2004 established that the pre-registration files and cadastral data surveyed would be reviewed by a supervision team. This continues to be done.

<sup>18</sup> Supervision work is being financed by PDAP

methods and performance of employed workers. A cost-reduction policy has been set in place for operations.

### **E3. Activities to be conducted during next Quarter, by Region**

The following activities are contemplated for execution during the next quarter, by region.

#### **Aguaytía Region**

- Complete all the steps required to provide the information needed to issue the titles for the 4,300 land parcels to comply with the 2004 target.

#### **Tocache Region**

- Define strategy to assess the physical and legal status of rural land parcels in Tocache, undertake a diagnostic for implementing a land titling initiative in that region. As appropriate and assuming budget and agreement with PETT to proceed, land titling staff in Aguaytía may be transferred to Tocache to begin working on the land titling process in participating communities.

### **E4. Constraints/main challenges identified during the quarter**

The following constraints did impede progress during the reporting period. PDAP is currently devising means to address these constraints.

- PETT Ucayali determined it could not grant official validation documents for the pre-registration files, arguing non-subscription of the PETT-PDAP Agreement. This has proven to be a difficult challenge to overcome and is requiring USAID and Embassy intervention with the Ministry for Agriculture (MAG), the Ministry that PETT is responsible to.
- INRENA will only validate the land classification reports once the Agreement in with PETT has been signed. INRENA has indicated it would immediately classify the lands once the agreement with PETT is resolved.
- INRENA, with support from PDAP, will solve the legal problem derived from the incorrect registration of Permanent Production Forests existing within PDAP's target areas.



### **E5. Lessons learned**

In general, work with public entities such as PETT has proven to be difficult. In part, this is due to the continuous rotation of officials, who are often removed on political, not technical grounds. Furthermore, it is not in our best interest to enter into legal arrangements which lack detail as the institution may choose to nullify the agreements.

- Permanent staff evaluation and training is necessary.

- The Supervision work undertaken by PETT has helped to correct mistakes; this is something that was formerly done in areas in which we had already worked. Now quality control is being carried out throughout the entire physical- legal remediation process.
- We need to further refine our salary system that recognizes large groups of professionals carrying out the same type of work.

**E6. Recommendations**

The following recommendations will guide PDAP work during the next quarter and beyond.

- Seek resolution to the current impasse regarding the agreement between PETT and PDAP.
- Further develop the conditions necessary for the signing of the agreement between INRENA and PDAP.
- Define and implement with IRENA the solution to the incorrect registration of Permanent Production Forests within PDAP's area of interest.
- Adjust the action plan for Ucayali to include the new communities and execute the diagnostic of the physical-legal status of property owners in Tocache.
- Reengineer and establish the approved scaled salary system for PDAP's Land Titling Program.
- In the Convenio Marco's Technical Fact Sheet, incorporate the commitment to be assumed by authorities and inhabitants to open up dirt roads and delimit PETT's field work areas.

## **CHAPTER II**

### **CLIN 3: COMMUNICATION**

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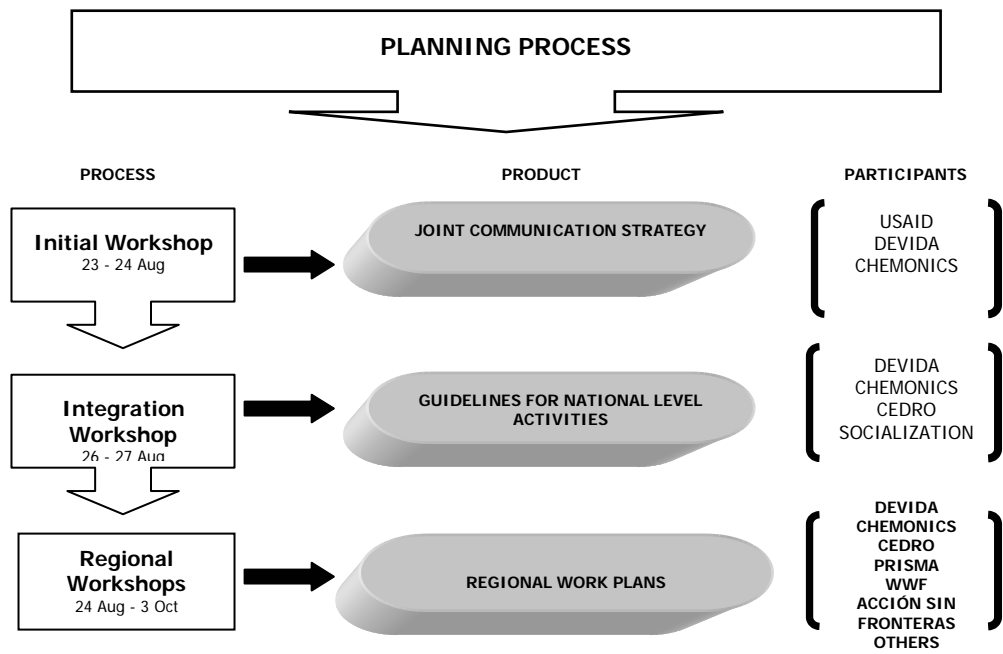
The objective of the communications component is to design and implement strategies to provide accurate and timely messages to the various PDAP audiences – at the national, regional and community levels – regarding the principles, policies and benefits of the PDAP program. Specific emphasis is being placed on promoting the change of attitudes, practices, and values relative to the illegal planting of coca and the impact of illicit economic activity on sustainable development.

#### **A. Key Activities During the Quarter**

During this quarter, PDAP has focused on refining the communications activities to maximize their impact while defining those methodologies which can be implemented both in the short and long term to achieve the component's objectives. While it is true that communication activities experienced a notable increase during the reporting period, it is expected that this effort will be further intensified and become more effective in the course of the forthcoming months as a result of a strategic planning effort being carried out within each of PDAP's target areas and with the active participation of PDAP's key stakeholders—USAID and DEVIDA. Key activities can be broken down into the following key areas: strategic planning, public awareness campaigns, strengthening of journalist networks, regional communication initiatives, communication product development, media monitoring and indicator development. Lessons learned and activities for the next quarter are also discussed.

#### **A1. Strategic Planning**

A key outcome during this quarter was the implementation of a concerted strategic planning process within the PDAP communications component. The graph below summarizes the process undertaken and key products. The process began with the preparation of a common communications strategy for DEVIDA, USAID and PDAP (developed in a workshop at El Pueblo, August 23-24, 2004). Building on the strategy, the key program operators then prepared specific operation plans for the different intervention areas.



These plans will serve as the basis for a regional conference to be held in October 2004 when the specific regional plans will be reviewed and approved prior to their implementation. The conference will also involve the journalist network developed by PDAP so that the respective plans and anticipated results receive maximum exposure and dissemination.

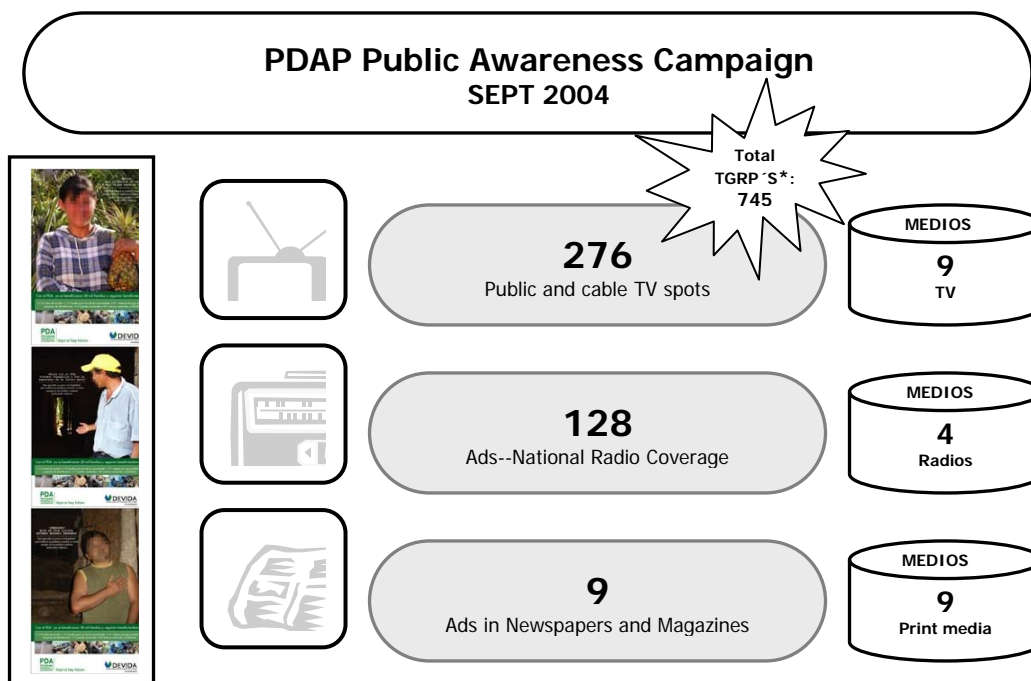
It is anticipated the strategic plan as implemented will have a substantial impact on opinion makers, general public opinion and farmers. It will also help to optimize resources and generate major strategic alliances to confront the complex reality in the target intervention areas while serving to channel the public's expectations and frustrations towards finding quick, creative and efficient responses and solutions.

## **A2. National Public Awareness Campaign**

The national public awareness campaign is underway, being disseminated by the media nationwide. The campaign focuses on informing the general public about PDAP's activities and results, placing special attention on changing the farmer's attitudes and practices in the coca valleys towards the program, while trying to counter misinformation and the aggressive communications initiatives of the drug trafficker and other groups also operating in the target valleys. DEVIDA, USAID and the US Embassy were active participants in the design of this campaign.

Results during the quarter included:

- The production of campaign materials, the airing of three television spots; three radio spots and three notices printed in the press.
- These materials were validated by 12 focus groups organized in Lima, Tingo María and Tocache.
- The advertising agency Young & Rubicam, in a joint effort with DEVIDA, USAID and PDAP, prepared a nationwide media dissemination plan that will be implemented through the third week of November, 2004.
- The Publimedios advertising agency co-prepared the regional media plans with DEVIDA, USAID and PDAP and with the journalist network.
- Together with PRA and the owners of Plaza Vea, Santa Isabel, E. Wong and Metro supermarkets, PDAP developed a campaign to promote the sale of products (bananas and pineapples) grown in the target valleys. According to the latest surveys, these companies hold 29% of the Lima market for consumer products. This campaign is scheduled to begin in late October and calls for the use of a special label to identify the specific products and to full display of the products in the respective fruit section of the stores to promote their sale and consumption.



\* Total Gross Rating Points

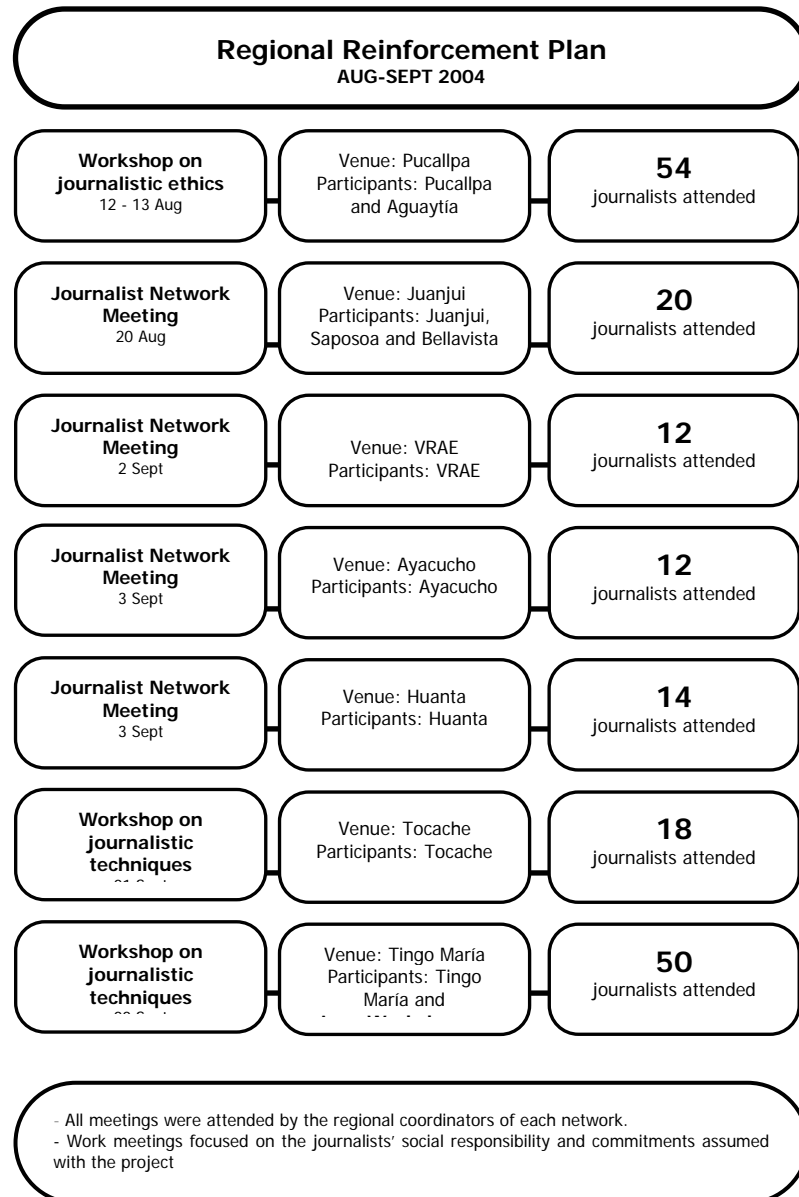
### A3. Strengthening of the Journalist Network for the Development of the Amazon

A key activity of the PDAP Communications team is the development and strengthening of a journalist network to help disseminate accurate information on the wide AD initiatives undertaken in Peru, including of the PDPA program. This network represents a cornerstone of the communications work plan and is a critical strategic element to help shape public opinion while countering counter opinions and misinformation on the larger AD program.

Key activities and results achieved during the quarter include the following:

- Helping the Journalist Network for the Development of the Amazon become a secondary level organizational structure (the Regional Committee, made up of one representative per network), which facilitates the creation of autonomous regulatory and control mechanisms.
- Facilitating some networks, particularly in Tarapoto and Tocache, to begin implementing activities that go beyond the scope of PDAP itself, for example establishing themselves as official spokespersons for regional development proposals being developed by regional authorities.
- Formally constituting a journalist network in Juanjui and making significant progress towards establishing new networks in Saposoa and Bellavista (in the department of San Martín).
- Developing a II Diploma in Communications for Development program, directed at Journalist Network reporters who did not benefit from the I Diploma program conducted earlier.

The diagram below shows the extensive program designed and implemented to strengthen the Journalist Network, which includes organizing a series of technical meetings and workshops:



The plan to reinforce the Journalist Network for the Development of the Amazon should conclude early next quarter, with the II Regional Meeting of Journalist Networks for the Development of the Amazon to be held in Tarapoto. At that time, journalist networks will review their vision and mission, and discuss the development of a new organizational structure designed to guarantee their autonomy and contribution towards development long after PDAP concludes.

#### **A4. PDAP information campaign in the target regions**

It is absolutely essential to continuously disseminate information on PDAP activities, results and status in the target regions in order to accurately inform key constituents on program activities while countering negative and misinformation reports. During the reporting period, the PDAP Communications team continued to broadcast programs informing the target population on PDAP's goals, objectives and activities. Radio and print programming were conducted as follows.

##### **A4a. Radio**

Radio programming is a critical element of the PDAP communication program. During this quarter, the following was conducted in this medium.

Product	Frequency	Period	Area	Total of programs issued
1-hour long radio programs	5 times a week	Jul-Sept	Alto Huallaga	144
1-hour long radio programs	6 times a week	Jul-Sept	Huallaga Central	120
1-hour long radio programs	5 times a week	Jul-Sept	VRAE	144
1-hour long radio programs (Sept)	5 times a week	Jul-Sept	Aguaytía -Pucallpa	60
Micro radio programs 10 min. (up to Aug)/ 5 min. (up to Sept)	5 times a week	Jul-Sept	Alto Huallaga	336
Micro radio programs 10 min. (up to Aug)/ 5 min. (up to Sept)	6 times a week	Jul-Sept	Huallaga Central	308
Micro radio programs 5 min. (Sept)	5 times a week	Jul-Sept	Aguaytía -Pucallpa	80

- A 5-hour special edition of the soap-opera entitled “Conquering our Destiny” was broadcasted in Tingo María, Tocache, Juanjui, Aguaytía and Pucallpa.
- A competition designed to recognize women leaders in the PDAP communities was widely publicized.
- A public tender is underway for the production of the third soap-opera series on PDAP topics and for the identification of leading women in participating PDAP

communities. It is anticipated these contracts will be awarded in the fourth quarter of 2004.

#### **A4b. Print Media**

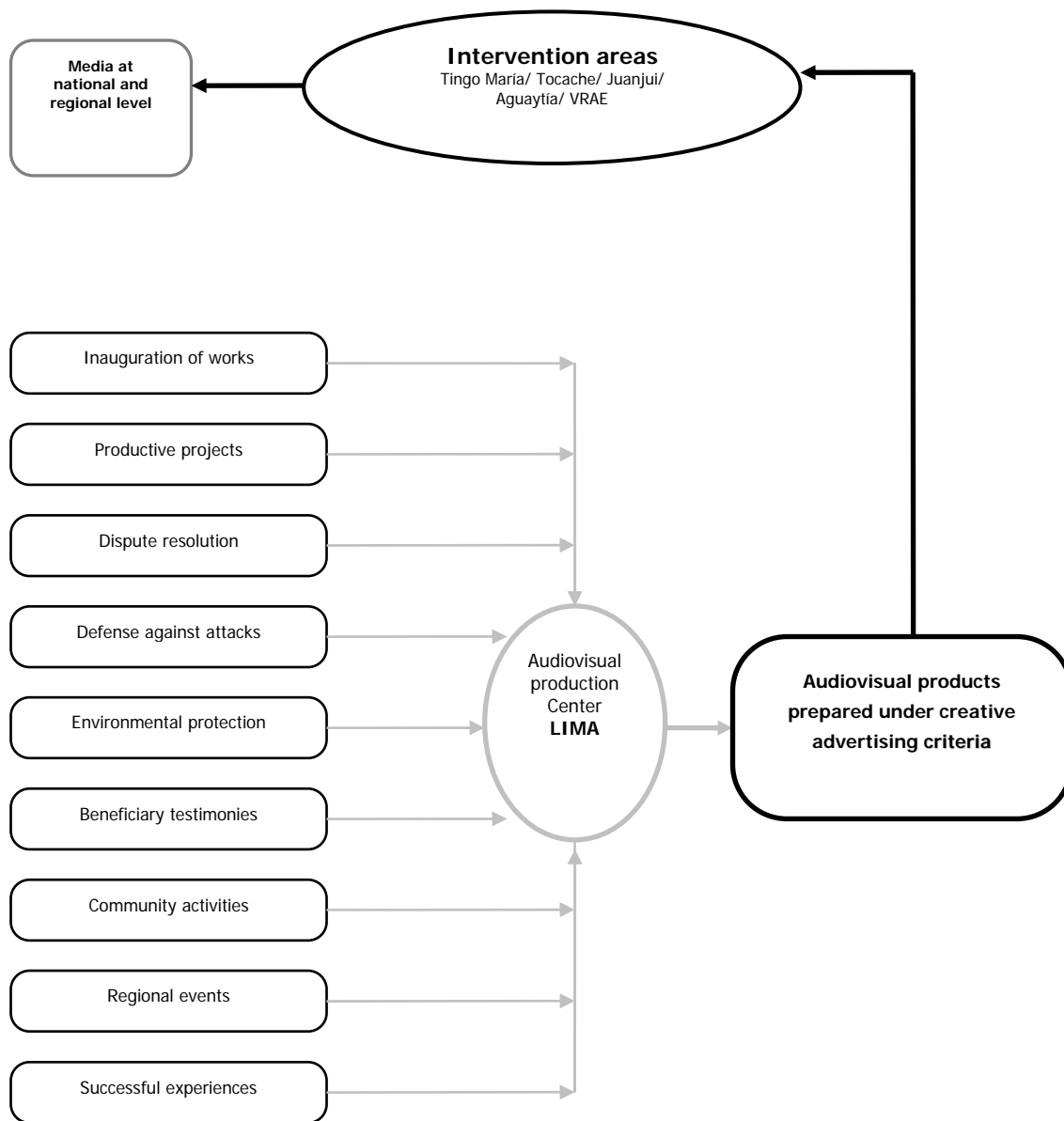
The PDAP Communications team re-ordered the criteria for inserting publicity and/or sponsorship in the regional media. A subcontract was awarded to Publimedios, an advertising agency, to facilitate the placement on advertisements and sponsorships on PDAP programming. At the same time, the team is designing a conceptual proposal to place all of the publicity-related activities under one creative conceptual template designed to achieve the program's higher objectives.

#### **A5. Development of an audiovisual production center**

In order to be able to rapidly respond to communication needs in the target regions and the communities, PDAP has initiated a process to establish an audiovisual and graphic production center at the central office. A number of suppliers have been invited to submit proposals to define the best mechanism to establishing this capability within the PDAP program. The center will be directly connected to the PDAP regional offices and will be able to rapidly develop and disseminate communication messages in a wide variety of mediums as needed.

As part of the process to develop material for the center, key activities in the regions, including infrastructure and productive projects, forestry projects, environmental protection initiatives and land titling activities in Tingo María and Aguaytía were digitally recorded by photo or video and stored for current and future use in PDAP communication products. As a result, a database of digital photographs and video images now exists, highlighting PDAP's contributions to regional development. Similar recordings in the VRAE and Tocache regions will be done in order to ensure a full complement of recordings for PDAP communication purposes.

These digital recordings will serve to expedite the design of campaigns to disseminate information on PDAP activities and results and to respond to queries as required by the regional offices. It is anticipated that the center will be able to provide critical communication products within a maximum period of 48 hours. It is anticipated the system would function as outlined in the below graph:



## **A6. Communication Indicators**

The PDAP Communication's team continued to refine the indicators that will be used to measure the impact of PDAP communication initiatives, particularly in terms of the change of attitudes, practices of farmers and general public opinion within the target regions. There is now a complete list of management indicators and indicators measuring the impact of PDAP communications initiatives in the target regions. A public bidding process to define a provider to conduct impact evaluation assessments in the regions is underway.

## **A7. Media monitoring**

A media monitoring system has been set in place, covering 12 of the cities located within the target region for PDAP activities. The system monitors the regional and local media to assess the media coverage on PDAP -related topics. The monitoring covers the following regions and cities.

Region	Cities
Huánuco	Huanuco, Tingo María, Aucayacu
Ucayali	Pucallpa, Aguaytia
San Martín	Tarapoto, Tocache y Juanjui
Cusco	Quillabamba
Junín	Satipo
Ayacucho	Huamanga, Huanta, San Francisco

As a result of the monitoring, the following reports have been developed.

Product	Number
Daily reports	37
Weekly reports	5
Monthly reports	1
Daily flash news	14

## **B. Lessons learned**

The following lessons have been learned during the quarter.

- The implementation of a common strategy for communications (DEVIDA, USAID, PDAP) ensures coordinated action to work coherently towards achieving programs objectives.
- Encouraging autonomy in the Journalist Network for the Development of the Amazon has been a key strategy. It is the journalists themselves – through their own organizational agencies – who have solved the most sensitive problems and supported the most productive processes for regional development.
- Recruiting other operators and players to help define and implement regional PDAP communication activities (CEDRO and other USAID operators), and in the

Socialization area greatly increases PDAP's chances of success at the community level.

- It is essential to have a digital photograph and video database, as this will ensure versatility to respond to the demand for the production of materials required by the PDAP program.
- It is critical that PDAP be capable of generating its own audiovisual and graphic material, as the production requirement to satisfy demand in the regions requires an ability to respond immediately and effectively, within a 24, maximum 48 time period.

### **C. Constraints**

The following constraints were addressed during this reporting period.

- Non-existence of a regional work entity (technical committee) to ensure concerted action at intervention area levels. We hope to overcome this limitation with the results produced by planning workshops held in September.
- The absence of local spokesperson supporting Alternative Development hindered the response of the media to the campaigns organized by coca-grower movements and other opposing parties in the regions. A concerted effort to recruit spokespeople who are supportive of PDAP programs in each of the regions is underway to respond to this constraint.
- Poor understanding of some minority groups of journalists registered in the networks has made it difficult for them to assume an autonomous role in their activities. On-going efforts to strengthen the network should be able to address this issue.

### **D. Activities for next quarter according to operation plan**

Key activities programmed for the next quarter include:

- Establish a monitoring system (technical aid) to supervise and ensure effective compliance of the regional operation plans.
- Design and approval of the Third National Public Awareness Campaign; it is anticipated this campaign will be underway in February 2005.
- Start-up operation of the audiovisual and graphic production center, based in Lima but directly connected to and responsive to the needs of the regional offices.
- Production of regional campaigns staged according to area, emphasizing PDAP contributions to regional development.

- Implementation of a communications platform at the community level, to ensure that messages do in fact reach the community, using the most appropriate and reliable communication source and medium.
- Production of the third radio soap-opera and carry out the competition to promote leader women in communities.
- Production of a quarterly video and graphic report on PDAP's main contributions in the target areas.
- Continue with the strategy to promote PDAP through radio and print media.
- Execute a baseline study to assess the impact that PDAP has had on the change of farmer practices in the target areas and in the perception of national and regional public opinion.

## **CHAPTER III**

### **CLIN 4: SITUATIONAL RESPONSE**

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Because this CLIN is focused on unanticipated yet essential services and goods to support the program, there are no specific activities or deliverables to be reported during the period. Although there have not been any specific activities under the CLIN yet, there are individuals on staff who are prepared to take on such activities as soon as they are identified by USAID, DEVIDA or PDAP management.

## **CHAPTER IV**

### **CLIN 5: MONITORING AND EVALUATION**

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The primary objective of PDAP's Monitoring and Evaluation Information System (M&E) is to provide reliable, consistent and timely information to all interested parties on the current status and progress of PDAP activities and programs and their contribution to the achievement of USAID's special objective of a "sustained reduction in illicit coca production in Peru." The M&E system is also meant to be a management decision making tool to promote efficient operations, planning and utilization of resources. It has been designed to be user friendly and adjustable in order to respond to a wide variety of information needs and requests. While the development of the actual physical system has taken longer than originally anticipated, significant progress was achieved during this quarter, culminating in the system now beginning to produce a wide variety of reports utilizing the information that has been entered. Reports that previously took many hours to produce with various sources of information can now be produced in less than 15 minutes. We anticipate the M&E system, as we conclude the design and implementation phase and move into the active utilization phase, will prove to be an excellent tool for timely reporting, measuring of impact and progress, and effective management decision-making for USAID, DEVIDA and PDAP.

#### **A. Monitoring and Evaluation System**

The main focus of the activities in this quarter has been on making operational the physical M&E System, consistent with the activities programmed in the 2004 PDAP work plan for this component. The activities can be divided into six main categories of activities, focusing on the design, development and implementation of the following:

- Infrastructure and Systems
- Website
- Business Intelligence System
- Control Panel System and Strategic Maps
- Geographical Information System
- Training

Below we comment on progress in each area respectively.

#### **A1. Infrastructure and Systems**

Key tasks conducted this quarter included:

- Finalizing the design of the M&E system and data entry requirements at the central PDAP office in Lima.
- Concluding all of the preparatory work and installing the M&E system in the four PDAP regional offices. Specific attention was made to ensure the electrical cabling was sufficient and safe to run the M&E system in the Regional Offices and to install the necessary communications infrastructure to reliably transmit the data to the PDAP Central Office in Lima.
- It is anticipated that one person in each Regional Office will be trained to manage the M&E system and to compile reports to facilitate regional office management's decision making. This person would also be responsible for quality assurance of the M&E data and information

generated from the data, adhering to the policies and the standardization norms that are under development.

- In order to ensure USAID/Peru has maximum access to the information contained in PDAP's M&E system, and given USAID's internal information security policies and regulations, it was decided to install one of the M&E system's servers within USAID in the Alternate Development (AD) office.
- The Business Intelligence (CorVu) software has been installed in PDAP's Client-Server and Web mode.

## **A2. Website (<http://www.pdapperu.org>)**

Key activities conducted during the reporting quarter included the following:

- Continued work in the design and preparation of the information to be posted on PDAP's intranet and website and in the definition of means to ensure key stakeholders have access to PDAP's M&E system and information.
- Due to USAID's information security policies, PDAP had to modify the originally defined access technology. Validation was established by ASP (Active Server Pages) programming and a data base engine (SQL Server 2000) which currently permits USAID and PDAP Regional Office access to the intranet.
- In meetings held with the M&E monitoring committee, composed of representatives from USAID, DEVIDA and PDAP, it was agreed to provide codes to enable DEVIDA users to access PDAP's intranet. This has been done.
- One of the objectives of the website is to post access to other websites containing valuable information of interest to the PDAP program and its beneficiaries and partners. Some constraints to access, primarily due to access security policies, has required the PDAP team to propose new solutions which would permit on-line distribution of the information and content published in PDAP's Intranet.
- A process to update PDAP intranet contents was also started, which included placing CorVu objects on-line. Other newly constructed reports will be added as the data warehouse is fine-tuned.
- In response to a request made by the USAID AD office, PDAP has started the process to convert the file formats which are part of PDAP's weekly report, particularly those which have been created using electronic spreadsheets such as Excel. Previously all files were published in Adobe Acrobat (\*.PDF) compatible formats, irrespective of whether the original file was originally created in Word or Excel. In order to facilitate the subsequent use of the data, they are now being distributed in their original format.
- A major initiative was undertaken to update the files containing all of the information on the communities participating in PDAP. At present, the PDAP M&E System holds the digital documentation on 556 communities; PDAP is currently updating this information, adding documents which had not been previously included. To date there are over 6,000 documents included in the PDAP M&E system. In order to ensure more accurate searches, to avoid confusing information between communities that have duplicate names, and to better share

information with other PDAP partner institutions, PDAP is defining a unique code for each community to facilitate the gathering and reporting of the community data.

## **Constraints**

The main constraints are time-related. Given that the data base used to create reports proceeds from the data warehouse, it is indispensable that this contains data that has been entered in an accurate and consistent manner to assure reliability. This is a task that is extremely time intensive. In order to address this constraint, PDAP is implementing and establishing data entry policies with standards and hiring short term staff to expedite the reliable data entry process.

### **A3. Business Intelligence System**

Key tasks conducted this quarter include the following:

- The Business Intelligence System was installed and is functioning.
- In accordance with the data warehouse model, PDAP has developed several different analysis routines to facilitate timely data retrieval, alerts and a wide variety of reporting formats and also to provide graphic analyses of the data.
- CorVu modules have been developed and are in the process of being installed in the areas of Socialization, Monitoring (Auto-eradication), Productive Projects and Infrastructure. Before proceeding to install and use the developed modules, a data verification procedure has been established, based on crosschecking all data, to guarantee the reliability of the results. This validation is being done directly by the staff responsible for each of the areas. Technical support is also being provided to allow the staff to generate their own reports in CorVu. Each developed module contains its respective documentation, both technical and objectives-related. PDAP staff is being trained to access and input data in their respective areas.
- The objects (web elements) developed have been installed in the data server located in PDAP's central office and is functioning on-line with the information updated directly both in the M&E System and by the users to whom the data entry task has been authorized. This information is used for the PDAP's internal management, both to carry out the required analysis and for management decision-making, In addition the information is used to automatically generate the periodic reports which are sent to USAID.
- All necessary tests have been performed to ensure the correct functioning of the M&E system using different forms of access: via Client/Server, via Web (CorVu Webkit Module) and Java (CorVuJava).

Pending tasks include the following:

- Data used by the Human Resources, Economic Services Centers, Land Titling, Safety, Natural Resources, Contracting and Communications areas are being consolidated and validated in order to populate the centralized data base and to permit the preparation of specific reports and related management decision-making tools.
- A training program will be organized during the next quarter, directed at management-level users. This training will promote the efficient use of the M&E system, providing managers with the tools and skills to maximize the potential of the system for their information and management decision-making.

## **Constraints**

Constraints are time-related and associated to the integrity of the information which is being used by the different areas. This constraint will disappear once the collection, validation and quality control mechanisms have been consolidated for entering data into the M&E System.

### **A4. Control Panel System and Strategic Maps**

Work is being done to implement control panels for the following groups of indicators:

- USAID Logic Framework
- PDAP contract
- Award Fee Plan
- Internal Management

A workshop was held with key representatives from USAID's AD office, DEVIDA, PDAP (Lima, Regional and CSE offices), and CAMRIS to define the appropriate indicators. The definition, variables for measurement and main sources for each of the indicators were established. The control panels are being constructed using the CorStrategy tool (part of CorVu) and PDAP is currently in the automatic updating stage.

On-line updating of the indicators is directly related to the design and implementation up of the Business Intelligence module in each of the areas. It is likewise related to the acquisition of the corresponding data for the Project's external entities.

### **A5. Geographical Information System (GIS)**

Key tasks this quarter focused on developing PDAP's digital map inventory, a digital Atlas, and the integration of the DEVIDA and PDAP community databases.

In regard to PDAP's digital map inventory, the goal is to have available a stock of digital maps to satisfy the requirements of all users. Software packages such as ArcInfo or ArcView are being used since they have the capacity to construct all of the maps being requested. The resulting information and maps will be available on-line and may be downloaded by internet through PDAP's intranet. At present there are some 1150 files available, in SHAPE and DWG format (ArcView Standard and AutoCad), pertaining to PDAP's activities in the target regions. In addition, there are 43 projects (APR format) constructed in ArcView.

In regard to the digital Atlas, work has begun in the construction of the Atlas, compiling data from 1995 through 2002. The data bases related to this task do not link specific projects to specific coordinates, rather to communities. This will require additional amending of the data, most likely through the use of GPS plotting in the field.

In regard to the integration of the DEVIDA and PDAP communities' data bases, and as the result of the Monitoring and Evaluation meetings held with USAID, DEVIDA and PDAP, a data exchange process has been initiated in a concerted effort to standardize the information used by these three institutions. The integration of 1185 communities contained in DEVIDA's data base, which include the communities PDAP is working in, constitutes a first exercise integrating information from both sources. A key factor which is being addressed is the notable lack of geographic reference points which, when corrected, would facilitate the ability to quickly and accurately retrieve and report on the activities being conducted in the individual communities. The ultimate goal is to have one

integrated data base that is being used by all of the institutions working in the AD areas (USAID, CADA, DEVIDA, among others) to report result and progress.

## **A6. Training**

Training programs to define and administer management indicators were implemented this quarter. These programs serve two key functions: to raise awareness regarding the wide use and applications of the M&E system and to accurately define the control indicators required by the management of the key PDAP activity components. Additional training will be given during the next quarter, specifically to the staff of the regional offices and CSEs. Every effort is being made to ensure the PDAP staff attend and actively participate in the trainings in order to maximize the use of and potential of the PDAP M&E system.

## **B. Operations Research Agenda**

Renaissance Information Systems (CAMRIS), the U.S. subcontractor implementing the Operations Research (OR) Agenda component initiated activities during this quarter. Initial Home Office activities included: logistical preparations and mobilization, development of an integrated study framework and plan, development of a staffing Schedule, structuring OR technical and operational supervision, and initiation of information audit (IA) activities. Initial field office (FO) activities included the planning of team trips to Lima, initiation and continuation of the IA, planning and recruitment for studies planned for the next quarter, and data support for the IA and for knowledge management development.

Key results achieved during this quarter include:

- Completed knowledge capture of digital memories for the “Encuentro 2004” including PowerPoint, audio, video clips, and documents. Digital memories were produced online and on a CD for further distribution.
- Disseminated OR Agenda (including several presentations to decision makers and key individuals) and Developer IA and major studies technical planning.
- Developed a comprehensive implementation/work plan for all first year OR activities, and initiated IA activities involving an initial data sources review. A simple meta-data catalogue-type was developed to classify documents. This catalogue also included documents from work undertaken in 2003.
- Carried out qualitative interviews of PDAP and USAID/Peru decision makers. PDAP interviews were completed with: Ligia Carvajal (then COP), Jaime Medrano (Deputy Director for Regional Operations), Pedro Valega (Security Manager), Alfonso Falla (Socialization Coordinator), Alfredo Frittrang (Monitoring & Evaluation), Aaron Drayer (Infrastructure), Maria Luisa Salvatierra (Administration & Finance), and Andrea Uribe (Acting Director of Contracts). USAID interviews were completed with: Jennifer Vernooy (Deputy AD Office Director and PDAP CTO), Donato Peña (MIS Coordinator), Bill Gelman (AD Policy project), and Ian Maxwell (AD strategy and M&E).
- Executed the ongoing IA build out and management. The focus was on IA results that point out how key decision makers are not getting the information they need and indicators that have been put forward by the key decision makers as important to them.

- Initiated planning for extraction of indicators in a support presentation format and the creation of a combined system prototype using the current data base as a data warehouse and CAMRIS presentation interface as a decision support system resulting in a client driven M&E system.
- Additional and supplemental interviews were held with Sergio Lopez (PDAP M&E), Jennifer Vernooy, Ian Maxwell, Alfredo Frittrang, and Tom Delaney (USAID AD Office Director) in order to finalize the information audit process.
- Preliminary design and methodological definitions were initiated for the vulnerability index and positive deviance studies. Management and follow upon initial planning and recruitment efforts were initiated for technical team mobilization while conducting initial review of community classifications. Theoretical frameworks and study protocols were considered and evaluated to include specific data, variables, and questionnaires design.
- Participated in meetings and workshops locally and regionally organized by PDAP and USAID to evaluate the household survey, regional studies, and indicators. This participation included day-to-day, methodological and technical support to activities on the ground.
- Initiated the creation of a Greenstone Digital Library tagged to the meta-data of all documents classified for the IA. Version 1.0 of the library Hill contains only the meta-data entries while Version 2.0 will contain the full text of relevant documents.
- Provided conceptual framework to classify variables of the DEVIDA household survey. This entailed the joint review of 400+ variable (one-b-one) and variables to be measured. Results included combining existing variables to create new variables that do not have to be collected, creating a new gender-focused module, and prospective data planning (field validation in Tarapoto).

## CHAPTER V

### QUARTERLY FINANCIAL SUMMARY

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#### Executive Summary

The following table details expenditures to date this quarter and the accumulated totals as well as approximate projections for the next two quarters. It is important to stress that these are projections and are subject to change due the circumstances that may impede activity execution in the areas of intervention.

Some infrastructure activities were postponed until April 2005 due to budget limitations.

To date, the obligated amount for the contract is \$ 43,775,000. This covers PDAP implementation expenses but not the award fee.

As detailed in the projections below, the major expenditures should take place during the second half of the contract year. This is due to the timing of initiation of productive and infrastructure projects.

The accumulated spent as of 30 September is \$10,521,687

PROGRAMA DE DESARROLLO ALTERNATIVO PARTICIPATIVO (PDAP)  
Chemonics International Inc.  
Contract Number 527-C-00-03-00043-00

DESCRIPTION	Expenditures			Projections		Total
	From April to June/04	From July to September/04	Accumulated	From October to December/04	From January to March /05	
CLIN 1: Start up Activities	\$48,732	\$1,449	\$50,181			\$50,181
CLIN 2: Auto-eradication	\$1,761,945	\$5,695,640	\$7,457,585	\$12,377,128	\$13,616,598	\$33,451,311
CLIN 3: Willingness to Reject Coca Increased	\$435,601	\$934,571	\$1,370,172	\$2,139,200	\$3,518,146	\$7,027,518
CLIN 4: Situational Response	\$120,256	\$248,646	\$368,901	\$201,724	\$205,242	\$775,867
CLIN 5: Performance Monitoring	\$390,490	\$884,358	\$1,274,848	\$1,236,538	\$1,450,606	\$3,961,991
<b>TOTAL</b>	<b>\$2,757,023</b>	<b>\$7,764,664</b>	<b>\$10,521,687</b>	<b>\$15,954,590</b>	<b>\$18,790,591</b>	<b>\$45,266,868</b>

## **ANNEX A: Context and Challenges**

### **A. Introduction**

To maximize the results of PDAP activities while also ensuring we understand as much as possible about the environment, the context and the potential challenges and opportunities facing the program, the PDAP team conducts the following analyses:

- continuous monitoring of the on-the-ground security situation in the PDAP target implementation zones through daily reporting, analysis and dissemination of alerts, and physical close-down or transfer of operations to new location as merited;
- analysis of various reliable information sources on the political and social situation in the target areas to facilitate PDAP decision-making; and
- as required, providing training and information to PDAP staff to ensure the necessary preventative steps are being taken to ensure their personal safety.

Below we provide a brief assessment of the general conditions present in PDAP's target regions during this reporting quarter.

### **B. General Socio-Political Framework in the Target Regions**

During the previous quarter, the National Confederation of Agricultural Producers of the Coca Areas of Peru (CONPACCP) was very active in its efforts to discredit alternative development initiatives. The general conclusion is that CONPACCP was not effective in generating much interest or attention to its demand, resulting in a perceived weakening of the capacity and leadership of the organization, in particular of Mrs. Elsa Malpartida and Mr. Flavio Sanchez, CONPACCP's leaders in Tingo Maria and Padre Abad respectively.

The questioning of the leadership led to a call for new elections in Tingo Maria. Mrs. Malpartida was able to counter the questioning and was re-elected (although there were allegations of voting inconsistencies and manipulation of the final results). During this next quarter, elections will be held to replace Mr. Flavio Sanchez in Padre Abad. In the VRAE, internal elections were held to name a new Secretary General for FEPAVRAE; Mr. Alejandro Gutierrez Escajadillo was elected to this position.

### **C. Analysis of the Situation in the Target Coca Growing Regions**

#### **C1. Aguaytia**

- **Socio-Political Situation**

Socio-political activities in Aguaytia focused on the citizens demanding that the Government of Peru issue a law to ensure the Ucayali region received benefits from the CAMISEA gas project. If the GOP does not act or respond to these demands, protests are

being called for during the next quarter. While such actions could have an impact on PDAP activities, it is anticipated that they will be minimal.

- **Subversive Situation**

Subversive activities during the quarter were limited to the sighting of band linked to the Sendero Luminoso (SL) movement in the Aguaytia area. It was also reported that units of an armed column of the SL were active in the Shambo, Paujil, Hormiga and Inca Garcilazo areas, specifically in preaching to the communities.

- **Situation of Common Delinquency and Narco-trafficking**

Common delinquency activities centered on actions taken against businesses and their associates involved in the wood product sector in the rural areas, resulting in the unfortunate death of three persons. In addition, a person commonly known as “Zaragoza” was tortured and killed by individuals linked to narco-trafficking. It was rumored that the dispute centered on the payment of accounts.

## **C2. Tocache Regional Office**

- **Socio-Political Situation**

In general, the socio-political situation in Tocache was quiet with the noted exception of an incident that took place in the Chazuta district on July 22. On that day, a group of residents, supported by the Mayor of Achinamiza, kidnapped two PDAP facilitators as a mean to pressure for the initiation of a dialog with DEVIDA and Chemonics. The community was pushing for the construction of a branch of the Chazuta-Achinamiza road, the resignation of the Mayor of Chazuta, and the firing of the Board of the Agriculture Association. A mediation session, composed of authorities from diverse sectors, was able to secure the safe release of the facilitators after three days, and the successful negotiation of key agreements to respond to the community’s demands.

On August 18, some 20 residents of Chontayaquillo in the Uchiza district – going against the agreed upon procedures – attacked three facilitators. This action was reported to the authorities.

- **Subversive Situation**

Subversive activities in Tocache were minimal during the reporting period. It is strongly believed there is a column of terrorists based in Sion who are allied with organizations dedicated to narcotics trafficking.

- **Common Delinquency and Narco-trafficking Situation**

Incidents of common delinquency have increased compared to last quarter. Reported incidents include the attacking of a public service vehicle resulting in the injury of a

National Policeman. A delinquent was killed by the National Police when they stopped the attempted kidnapping of a family member of the Mayor of Uchiza. Finally, during anniversary celebrations in the community of Sta. Roxa de Mishoyo (Polvora) a young man died in an argument over money.

### **C3. VRAE Regional Office**

- **Socio-Political Situation**

The delay in payment of daily wages to communities by subcontractors implementing PDAP infrastructure projects has created a climate of protest against the program. During review activities in the communities of Anchiguay and Nueva Jerusalem to verify that 100% of illicit coca had been eradicated, coca seedlings were found that were being prepared for planting. Some 6,000 seedlings were counted. WHAT WAS DONE?

FEPAVRAE, the principal organization of coca growers in the VRAE, held elections to name Mr. Alejandro Gutierrez Escajadillo as the new General Secretary of the organization. The new leader has made several declarations which demonstrate his disagreement with the Central Government regarding the policy for eradicating illicit coca production.

- **Subversive Situation**

There is increased evidence that remnants of the Sendero Luminoso are patrolling the districts of Llochehua, Sivia, San Miguel del Ene and the area known as Puerto Cocos,. The Ene region is characterized by the predominant presence of terrorists linked to organizations dedicated to drug trafficking. Drug trafficking activities are taking place in broad day light, as observed in photos taken in the area of Lechemayo in the Anco district.

### **C4. Tingo Maria Regional Office**

- **Socio-Political Situation**

Delays in the provision of technical assistance by the Economic Service Center generated some unrest in several communities. To address the problem, information meetings were held with all of the communities to explain the actions being taken to respond to their complaints. These actions have diminished the unrest in the affected communities and provide a key lesson learned for current and future activities.

As indicated earlier, Mrs. Elsa Malpartida was elected as the leader of the cocalero organization in Tingo Maria. She has public differences with the cocalero leader in the Monzon Valley, Mr. Ibuncio Morales, which have continued following the election. The cocalero leadership in the Monzon Valley has blocked the entry into the valley of all NGO staff in response to the lack of compliance with the agreements reached with Central Government authorities.

- **Subversive Situation**

The continual patrolling of subversive columns in different communities in this area was noted. They request “payment” of food from the communities. Facilitators in the area experimented with a meeting with the subversive elements in the village of Mariano Melgar. The subversive message at the session was that they are “looking out for the interests of their campesino brothers and they won’t permit the PDAP program to take advantage of them.” They also indicated that they will be constantly looking to make sure that program commitments are being met.

**D. Lessons Learned**

- The delays in implementing infrastructure and productive projects have created a climate of protests and complaints in a number of communities that, as a consequence, has raised the risk level significantly. Effective and continuous information activities are being used to mitigate the risk levels while every effort to expedite the delivery of agreed to activities is being sought.

**E. Work Plan for the Next Quarter**

- Conduct security training exercises, including training updates, for regional staff based in the Tingo Maria and VRAE regions.
- Bring security coordinators together for a training workshop based on lessons learned.

## ANNEX B: CLIN 1: START UP

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### A. Personnel plan

#### A1. Changes in Key Personnel

Oswaldo Holguin, director of Administration and Finance, assumed this long-term position on August 20, 2004. COP Ligia Carvajal resigned in early September 2004; she will continue working on the project through October 15, 2004 to ensure a smooth transition. The search for a new COP was immediately initiated. Susanna Mudge, Chemonics Senior Vice President for the Latin America and Caribbean Region became acting COP on September 28 and will remain in this position until the new COP is identified, fielded and a smooth transition has taken place.

#### A2. Changes in Local Term Personnel

During this quarter, several local long term professionals were recruited for coordinator and/or supervisor positions, including coordinators for the Economic Service Centers (CSEs) located in the four PDAP target areas who were previously working for PRA. In addition, the new subcontracts and grants manager, Michelle Rodrigo, who replaced Michelle Rodriguez, was hired and assumed her duties. M&E Systems Advisor Alfred Frittrang will depart the project on October 15, 2004; it is proposed he will be replaced by Jairo Lopez. Also, the CSE PDAP Manager, Durval Zambrano, who was hired on July 1, 2004, decided to resign after two months on the job. He was replaced by Carlos Diaz. The following table summarizes the new long-term hires made during this reporting period:

Name	Position – Office	Date of Hire
Duval Zambrano	CSE PDAP Manager – Lima	01/07/04
Andres Flores	Sub CSE PDAP Coordinator – Aguaytía	01/07/04
Raúl Lescano	Sub CSE PDAP Coordinator – Tingo Maria	01/07/04
Darwin Del Aguila	Sub CSE PDAP Coordinator – Tocache	01/07/04
Javier Arenas	Sub CSE PDAP Coordinator – VRAE	01/07/04
Juan Carlos Medina	PETT Operation Manager – Lima	01/07/04
Frederic Andia	Infrastructure Coordinator – Lima	02/08/04
Freddy Leguia	Regional Chief – VRAE	06/08/04
Michelle Rodrigo	Manager of Subcontracts and Grants	09/20/04

#### A3. Overall Personnel Distribution

A summary of the current staffing and distribution by key office and function is provided in Table 1.

**Table 1: Short and Long Term Personnel Distribution**

<i>Personnel</i>	<i>Long Term</i>	<i>Short Term</i>
Lima Office	54	17
Regional Offices	72	13

Facilitators	N/A	37
Extensionists <sup>1</sup>	N/A	188
PETT Personnel <sup>2</sup>	4	159
<b>Total</b>	<b>130</b>	<b>414</b>

The overall staffing requirements for PDAP are currently under review to determine the extent to which current needs are being met and the extent to which adjustments will be needed in the future. This review will be completed and recommendations made during the next quarter.

## B. Subcontracts

### B1. Local subcontracts

During this quarter, the project signed 59 local subcontracts and 60 work orders valued at S/.20,779,921 (US\$6,111,742). The following is a summary of these activities:

<b>Fixed Cost Subcontracts</b>	<b>No</b>	<b>S/.</b>	<b>US\$</b>
Infrastructure	38	5,212,351	1,533,044
Finance and Administration	1	22,550	6,632
Communications	10	611,561	179,871
M&E	3	409,310	120,385
Natural Resources and Environment	6	198,052	58,250
<b>Total</b>	<b>58</b>	<b>6,453,823</b>	<b>1,898,183</b>

<b>IQS Subcontracts- Infrastructure</b>	<b>No</b>	<b>S/.</b>	<b>US\$</b>
Performance work orders	44	13,252,970	3,897,932
Evaluation work orders	6	75,050	22,073
Design work orders	7	383,649	112,838
Supervisión work orders	3	291,922	85,859
<b>Total</b>	<b>60</b>	<b>14,003,591</b>	<b>4,118,703</b>

<b>Cost Reimbursement Subcontracts</b>	<b>No</b>	<b>S/.</b>	<b>US\$</b>
Trust – Credit	1	322,507	94,855
<b>Total</b>	<b>1</b>	<b>322,507</b>	<b>94,855</b>

Additionally, the project signed 36 grant agreements valued at S/2,605,145 (\$766,219), as shown in the table below:

<b>Grant Agreements</b>	<b>No</b>	<b>S/.</b>	<b>US\$</b>
Infrastructure	35	2,156,345	634,219
CSE	1	448,800	132,000
<b>Total</b>	<b>36</b>	<b>2,605,145</b>	<b>766,219</b>

Two of the subcontracts signed this quarter, Accion Sin Fronteras (ASF) and CEDRO, contributed substantially to activities in the communications and socialization areas. Activities focused on

<sup>1</sup> Technical assistance for Economic Service Center (CSE) activities

<sup>2</sup> Professional personnel in the area of Land Titling

preparing staff for the new intervention phase in Tocache and Aguaytia that will begin in the fourth quarter.

## **B2. U.S. Subcontracts**

In addition to the ongoing subcontract with Renaissance Information Systems to conduct the operations research activities for PDAP, a subcontract was signed with Greystone Environmental Consultants to provide support to planned natural resources and environmental activities. Initial discussions were held with Greystone to define priority areas for their assistance. The Communications staff is currently defining activities where the Rendon Group can be utilized.

## **C. Working sessions**

### **C1. Technical teams**

- **Working Group with USAID**

Periodic meetings were held with the CTO and other USAID officials. The purpose of these meetings were to review pending tasks, provide guidance on implementation actions, analyze plans and related activities, and make decisions regarding specific aspects of program implementation.

In addition to meetings with the CTO, periodic meetings were also held between the USAID and PDAP monitoring and evaluation teams to review the status of the M&E system design and installation.

### **C2. Implementing partners**

- **PDAP-PRA Working Group**

Both projects<sup>3</sup> meet regularly with USAID<sup>4</sup> to discuss, agree on and program joint actions to coordinate activities and facilitate the application of the PRA model for long-term, sustainable economic opportunities in the PDAP target areas. DEVIDA occasionally participates in these meetings<sup>5</sup>.

- **Working Groups with other projects or subcontractors**

Meetings were held with other USAID-financed projects (e.g., PRODES, PRA, and subcontractors such as CEDRO, Acción sin Fronteras and others) to maximize the results achieved with USAID funds.

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<sup>3</sup> PRA: Douglas Tinsler, José Iturrios, Oscar Rizo-Patrón. PDAP: Jaime Medrano, Sergio López, Ligia Carvajal and other personnel depending on the nature of the agenda

<sup>4</sup> Jenny Vernooy, Carla Cisneros, Tommy Fairlie, Donato Peña, Richard Newburg, John Irons, Juan Robles, and other personnel, as decided by USAID

<sup>5</sup> Fernando Hurtado, Fernando Larios, Fernando Reyes y Carlos Zúñiga